NEWS RELEASE **Symbol: TSX-V: MMS**
September 27, 2018 For Immediate Dissemination

MACARTHUR MINERALS UPDATE ON THE DEVELOPMENT AND EXPLORATION OF ITS IRON ORE, GOLD, NICKEL AND LITHIUM PROJECTS

Macarthur Minerals Limited (TSX-V: MMS) (the "Company" or "Macarthur") is pleased to provide an update to Shareholders outlining an active third quarter 2018 in the ongoing development of the Company's iron ore projects and exploration activities across the lithium, gold and nickel/cobalt projects in Western Australia and Nevada, USA.

THIRD QUARTER HIGHLIGHTS

- Identified 18 high priority bedrock conductors from a heliborne SkyTEM electromagnetic survey at the Hillside Gold project in the Pilbara region of Western Australia. All anomalies correlate with historic gold workings, surface copper and gold geochemical anomalies, magnetic anomalies or fault systems.
- Identified three high priority nickel sulphide targets at the Lake Giles project in Western Australia.
- Has engaged Orbit Drilling to undertake an immediate campaign to drill the identified targets, commencing with the Lake Giles nickel sulphide targets.
- Completed the second phase of a stream sediment sampling program at the Bonnie Scot Project in the Pilbara region of Western Australia. The results showed a geochemical cluster of anomalous gold up to 45.9 parts per billion.
- Applied for an Exploration Licence E45/5324, which is near the Tambourah Lithium Project in the Pilbara. A review of historical data indicates the area is prospective for nickel-copper-cobalt and platinum group element mineralization.
- Entered into an exclusive advisory agreement with UK based Capstan Capital Partners LLP to secure the necessary funding required to advance the Company's significant iron ore projects located in Western Australia.
- Advanced discussions with an interested party to take forward exploration for lithium across the Company's extensive ~1,300 km^2 portfolio in the Pilbara.
- Advanced discussions with an experienced lithium partner to further explore the Company's Reynold Springs Project in the Railroad Valley, Nevada.

Mr. Cameron McCall, Executive Chairman of Macarthur Minerals commented: "*This third quarter has been another very active period for the Company. The current share price is a reflection of the loss in value expectation built into Macarthur's bid for the Koolyanobbing assets that was granted to Mineral Resources Ltd. The Company is now working on key route to market contracts as a priority, as well as working with UK based Capstan Capital Partners LLP, to secure the necessary funding required to advance the Company's funding, off-take and development commitments for the iron ore projects.*"

GOLD

Hillside Gold Project

The Hillside Gold Project in the Pilbara covers an area of ~ 400 km^2 of greenstone lithologies highly prospective for gold and copper mineralisation. Historical gold mining has occurred within the tenement area with recent activity by prospectors recovering over 700 ounces of gold nuggets. Historical rock chip sampling at the Hillside Gold Project has returned results up to 55 grams per tonne gold and 7.8% copper (**Figure 1**). A rock chip from a recent reconnaissance visit with Artemis Resources to the Hillside Gold Project returned 8.5 grams per tonne gold.

In late May, an Airborne Electromagnetic survey was flown over the Hillside Gold Project over two areas (**Figure 1**). The aim of the survey was to define high priority targets from conductors such as clusters of massive sulphide hosted base metal deposits at depth. The survey was conducted using the SkyTEM system with 150m spaced lines. In total, the system flew 846 line-kilometers covering approximately 125 km^2. The survey was successful and identified numerous interpreted bedrock

conductors including isolated discrete bedrock conductors that correlate with historical gold workings, magnetic anomalies and fault systems.

Data was processed by Newexco Services Pty Ltd's ("Newexco") geophysicists, with the objective of identifying anomalies that may be sourced by confined bedrock conductors such as massive sulphide accumulations. All observed anomalies were ranked against multiple criteria with a total of 18 anomalies considered to be high priority for follow-up in the field and consideration as a drill target.

The SkyTEM survey has identified multiple outstanding anomalies that require follow-up exploration in the field. Geological mapping and geochemical sampling will be undertaken across these target areas, followed by drilling of select targets.

Panorama and Bonnie Scot Gold Projects

As previously announced, Artemis is to earn-in up to 80% interest in the Panorama Project, located in the Pilbara region of Western Australia. The project consists of two tenements E45/4779 and E45/4732 covering a total of 265 km^2. The Panorama Project sits adjacent to Macarthur's Bonnie Scot Project on tenement E45/4764. GSWA geological mapping shows extensive outcrops of Mt Roe Basalts and Hardey Formation across both projects which are prospective for conglomerate hosted gold (**Figure 2**).

The Company has completed the second phase of a stream sediment sampling program at the Bonnie Scot Project. The Phase 2 survey collected a further 53 stream sediment samples across the north western area of the tenement and included follow-up sampling near the previously identified gold anomaly.

Samples were submitted for multi-element analysis with results revealing anomalous gold in close proximity to the previously identified gold anomaly. The original anomaly was known from a cluster of eight samples recorded over a radius of approximately 40m. The current program extends the anomalous zone by approximately 300m to the south and west with gold assays up to 113 ppb (**Figure 2**).

This area in the north west of the tenement was previously considered prospective for gold from a historical rock chip sampling program with values recorded up to 3.5 g/t Au. The stream sediment results from both programs support this view and warrant further exploration. The Company is currently preparing a program to map the geology across the identified anomaly.

NICKEL AND COBALT

Lake Giles

Exploration for nickel, cobalt and other priority sulphide minerals was advanced at Lake Giles in the Yilgarn region (as announced on March 5, 2018). Detailed ground geophysical surveys comprising Moving Loop Electromagnetic ("MLEM") and Fixed-Loop Electromagnetic ("FLEM") was completed across three prospect areas: Moonshine, Snark and Clark Hill. The program targeted areas where elevated nickel has been identified in surface geochemical sampling and intersected by drilling.

Interpretation of data was undertaken by geophysicists from Newexco, who are experts in the application of geophysical surveys for the discovery of nickel sulphide deposits. The interpretation was undertaken on the basis of detecting bedrock conductors consistent with accumulations of massive sulphides. The prominent conductor at Moonshine has been defined as a priority sulphide target that the Company has immediate plans to drill. A drilling target has also been defined for the conductor identified at the Snark prospects.

Conductors MC01 at Moonshine and SC01 at Snark are considered high priority targets and will be tested by drilling. Newexco has planned two drill holes to intersect the conductors at the point where they display a high EM response (**Figures 3 & 4**).

An initial program of two holes drilled to a depth of 200m will be commenced upon receipt of drilling permits.

Tambina

The Company applied for an additional Exploration Licence E45/5324, which is near its Tambourah Lithium Project in the Pilbara Region of Western Australia. A review of historical data indicates the area is prospective for nickel-copper-cobalt and platinum group element mineralization.

IRON ORE

Macarthur holds Mining Leases over two advanced projects; the Ularring Hematite Project and the Moonshine Magnetite Project. The Company also holds the exploration license application for the Treppo Grande iron ore project.

The Company has been reviewing its iron ore projects in light of the emergence of rail and port capacity through to the Port of Esperance and the cessation of mining at Cleveland-Cliffs Inc's Asia Pacific Iron Ore Koolyanobbing projects. Mineral Resources Limited has since acquired the Koolyanobbing iron ore operation and have commenced a ramp up of operations to mine up to 6Mtpa to be shipped through the Port of Esperance. This now opens up available rail and port capacity to third parties.

Macarthur has entered into an exclusive advisory agreement with UK based Capstan Capital Partners LLP ("Capstan") to secure the necessary funding required to advance the Company's significant iron ore projects located in Western Australia.

Capstan is an independent investment banking firm headquartered in London. The firm has extensive network and unique access to specialist investors across the entire capital structure. Capstan's institutional business partner is one of Europe's leading private banks.

LITHIUM

Western Australia

Macarthur's ~1,300km^2 lithium portfolio in the Pilbara has now had all Exploration Licences granted and the Company has been been advancing discussions with potential partners to further the geological investigation of these tenements.

Reynolds Springs Project, Nevada USA

In March 2018, Macarthur applied for water rights over these claim areas and the Company is waiting on allocation. Macarthur has since been continuing this process.

QUALIFIED PERSONS

Mr Andrew Hawker, a member of the Australian Institute of Geoscientists, is a full-time employee of Hawker Geological Services Pty Ltd and is a Qualified Person as defined in National Instrument 43-101. Mr Hawker has reviewed and approved the technical information, expect that of the Reynolds Springs Project contained in this news release.

ABOUT MACARTHUR MINERALS LIMITED (TSX-V: MMS)

Macarthur Minerals Limited is an exploration company that is focused on identifying high grade gold, nickel, cobalt and lithium. Macarthur Minerals has significant gold, lithium, nickel, cobalt and iron ore exploration interests in Australia. Macarthur Minerals has three iron ore projects in Western Australia; the Ularring hematite project, the Moonshine magnetite project and the Treppo Grande iron ore project. In addition, Macarthur Minerals has significant lithium brine interests in the Railroad Valley, Nevada, USA.

On behalf of the Board of Directors,
MACARTHUR MINERALS LIMITED

"*Cameron McCall*"
Cameron McCall, Executive Chairman

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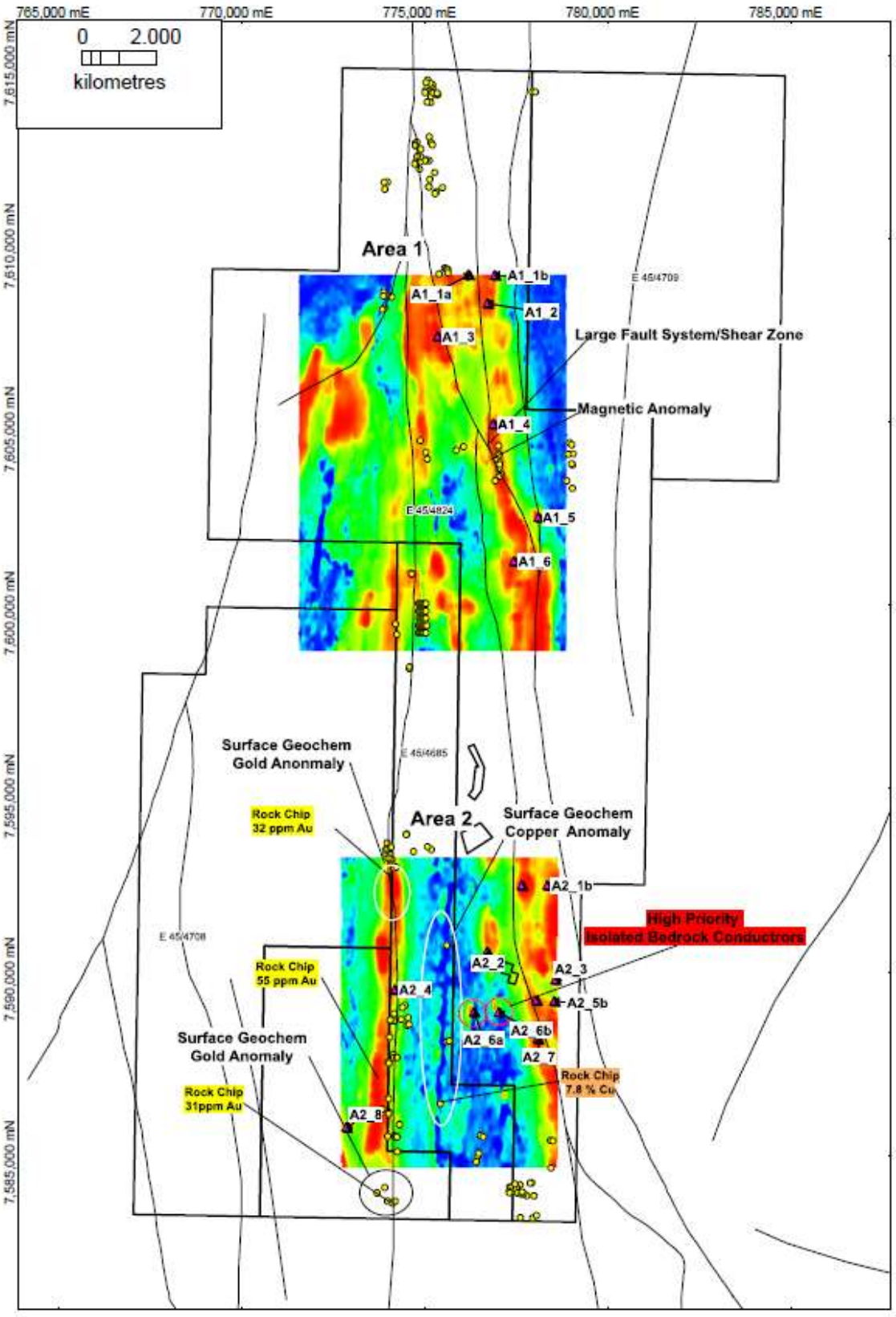

Figure 1. Hillside SkyTEM survey flown at 150 m line spacing showing conductors and geochemical anomalies.

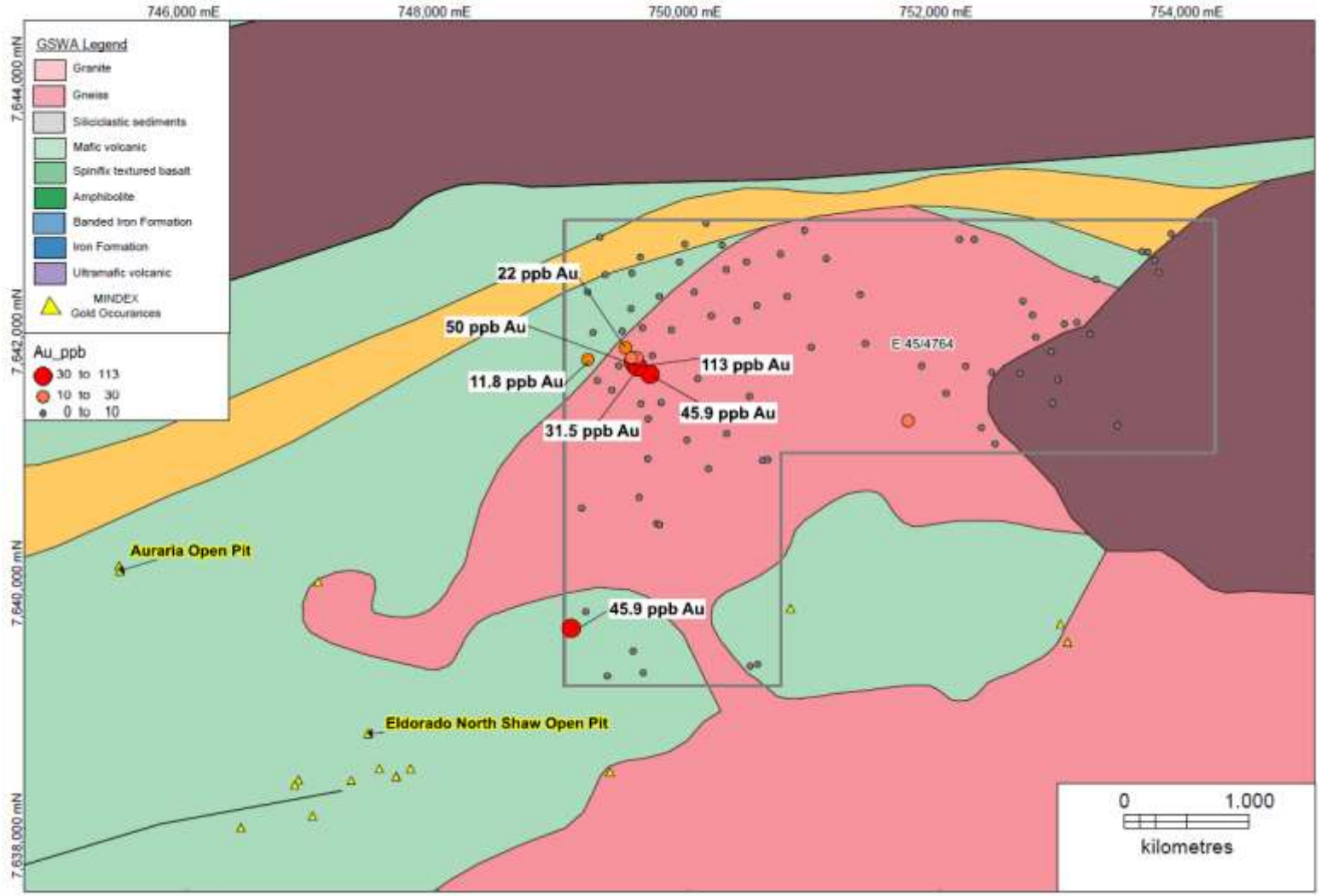

Figure 2. Stream sediment sampling at the Bonnie Scot project E45/4764.

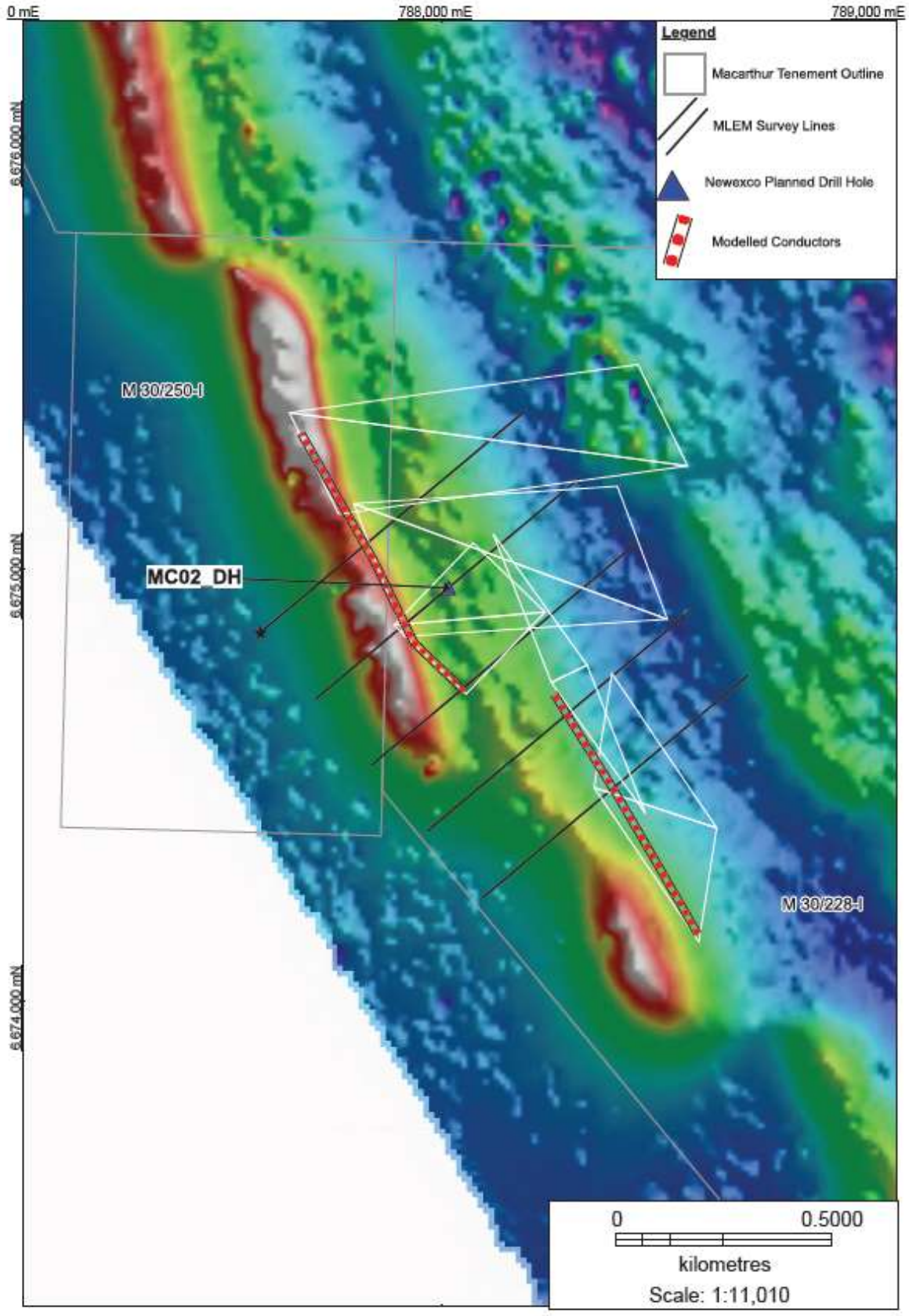

Figure 3. MLEM survey at Moonshine showing modelled conductors. Background image shows magnetic anomalies. Planned drill hole MC02_DH location.

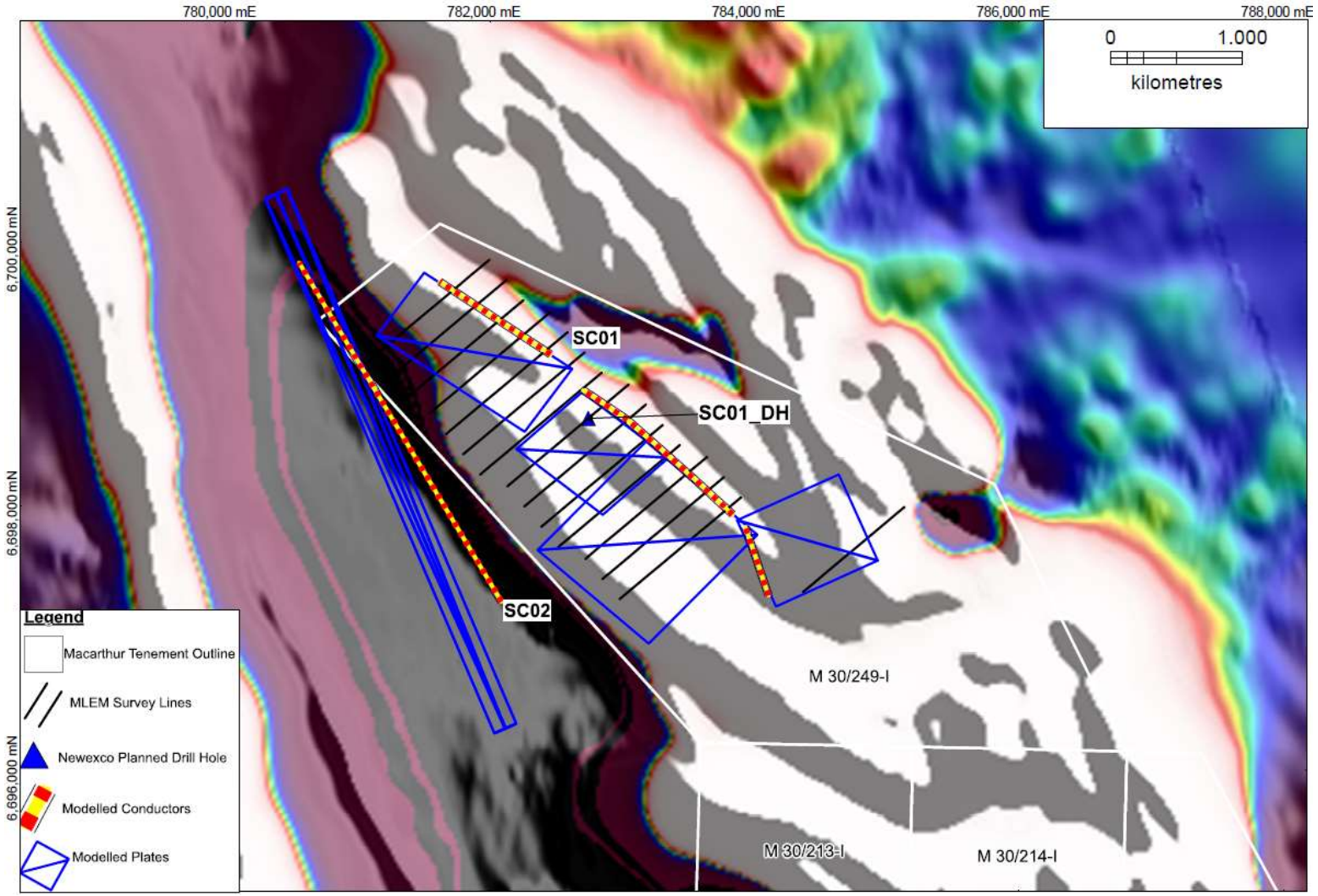

Figure 4. MLEM Survey at Snark showing modelled conductors. Background shows Total Magnetic Intensity anomalies. Planned drill hole SC01_DH location