

NEWS RELEASE
August 14, 2015

Symbol: TSX-V: MMS, OTCQX: MMSDF
For Immediate Dissemination

MACARTHUR MINERALS CLOSES OVERSUBSCRIBED PRIVATE PLACEMENT

Macarthur Minerals Limited (TSX-V: MMS, OTCQX: MMSDF) (the “Company” or “Macarthur Minerals”) is pleased to announce it has closed the second and final tranche of the non-brokered private placement (the “Offering”) as originally announced on July 15, 2015. The subscriptions for tranche two totalled 13,585,171 units (each, a “Unit”) at a price of CAD\$0.02 per Unit (“Unit Price”) for aggregate gross proceeds of CAD\$271,703.42.

The total placement was oversubscribed with both tranches subscriptions totalling 25,603,169 Units for gross proceeds of CAD\$512,063.39. Finder's fees of CAD\$5,909.52 are payable in cash for tranche 2.

Following closing of the Offering, Macarthur Minerals will have 81,623,799 common shares issued and outstanding. Approximately 44% of the second tranche of the Offering was purchased by insiders of the Company.

Each Unit is comprised of one Common Share in the capital of the Company (each, a “Common Share”) and one whole warrant to acquire a Common Share (each, a “Warrant”) at an exercise price of CAD\$0.05 per Common Share for a period of twelve months from the date of issuance.

The TSX Venture Exchange has waived the CAD\$0.05 minimum pricing requirement in accordance with TSX Venture Exchange bulletin dated April 7, 2014 “*Discretionary Waivers of \$0.05 Minimum Pricing Requirement*”.

The net proceeds from the Offering will be used for working capital purposes, in particular rents and rates for the Company’s iron ore projects, salaries for project staff and other project related costs. No part of the proceeds will be used to pay management fees or to pay related parties. All securities issued pursuant to the first and second tranche, including the Common Shares underlying the Warrants, are subject to a statutory hold period.

The closing of the Offering is subject to final approval from the TSX Venture Exchange.

Related Party Transaction

Alan Phillips and Joe Phillips, (together, the “Related Parties”), are each considered a ‘related party’ of the Company for the purposes of TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”), participated in the Offering. The participation of the Related Parties in the Offering is considered to be a related party transaction subject to TSX Venture Exchange Policy 5.9 and MI 61-101.

According to MI 61-101, such a related party transaction requires a formal valuation and minority shareholder approval, unless exempted. An exemption from the formal valuation requirement is available to the Company, as the Company is not listed on any specified market (as that term is used in MI 61-101). An exemption from the minority shareholder approval requirement is available to the Company as neither the fair market value of the Units issued to, nor the fair market value of the aggregate consideration to be paid by, the Related Parties in connection with the Offering, will exceed 25% of the market capitalization of the Company as of the date hereof.

The material change report in connection with this news release is being filed less than 21 days before the expected date of the closing of the Offering, as such shorter period has been determined by the Company to be reasonable and necessary in the circumstances in order to complete the Offering in a timely manner.

ABOUT MACARTHUR MINERALS LIMITED (TSX-V: MMS, OTCQX: MMSDF)

Macarthur Minerals Limited is an Australian based resource development company currently focused on Projects located in the Yilgarn iron ore district in Western Australia. The Projects are located 110 km from rail infrastructure with a direct connection to the iron ore exporting Port of Esperance, Western Australia.

Macarthur Minerals has been actively:

- evaluating its core tenement portfolio and actively seeking a joint venture partner to offset the holding costs of its Projects;
- pursuing alternative development scenarios; and
- identifying counter cyclical investments that complement Macarthur Minerals' capabilities.

On behalf of the Board of Directors,

MACARTHUR MINERALS LIMITED

"Earl Evans"
Earl Evans, Chairman

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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, including whether the Offering will be completed or fully subscribed. 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 reliability of information 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 unforeseen technology changes that results in a reduction in iron or magnetite demand or substitution by other metals or materials, the discovery of new large low cost deposits of iron magnetite 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.