

NEWS RELEASE
February 4, 2016

Symbol: TSX-V: MMS
For Immediate Dissemination

MACARTHUR MINERALS ANNOUNCES PRIVATE PLACEMENT UP TO \$300,000 AND ASSESSING LITHIUM AND GRAPHITE PROJECT OPPORTUNITIES

Macarthur Minerals Limited (TSX-V: MMS) (the “Company” or “Macarthur Minerals”) is pleased to announce a non-brokered private placement and that it is assessing opportunities for acquisition of lithium and graphite projects in Australia.

Non-brokered Private Placement

The non-brokered private placement (the “Offering”) will be for up to 15,000,000 units (each, a “Unit”) at a price of CAD\$0.02 per Unit (“Unit Price”) for aggregate gross proceeds of up to CAD\$300,000. The Unit Price is equal to the closing price of the Company’s TSX Venture Exchange listed shares on February 3, 2016.

Each Unit shall be 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 Company has obtained approval from the TSX Venture Exchange to waive 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 closing of the Offering will occur as soon as possible after and subject to receipt of all necessary regulatory approvals including that of the TSX Venture Exchange. The net proceeds from the Offering will be used for working capital purposes, in particular rents and rates for Macarthur’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. The securities issued pursuant to the Offering will be subject to a statutory 4 month plus one day hold period from the date of issuance.

The Company anticipates that insiders will subscribe for Units in the Offering. The issuance of Units to insiders pursuant to the Offering is considered to be a related party transaction subject to TSX Venture Exchange Policy 5.9 and Multilateral Instrument 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.

Lithium and Graphite Acquisition Opportunities

The Company is in the process of assessing opportunities for acquisition of lithium and graphite projects in Western Australia.

The funds raised from the Offering will not be used to pay for the acquisition of projects, which are currently under assessment.

ABOUT MACARTHUR MINERALS LIMITED (TSX-V: MMS)

MacArthur Minerals Limited is an exploration and development company that is focused on identifying counter cyclical investments that complement MacArthur's capabilities.

On behalf of the Board of Directors,
MACARTHUR MINERALS LIMITED

"Cameron McCall"
Cameron McCall, Chairman

Company Contact:
David Taplin, Managing Director
dtaplin@macarthurminerals.com
Tel: +61 407470044
www.macarthurminerals.com

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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 Transaction will be completed. 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.