

**NEWS RELEASE**  
October 28, 2015

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

## **MACARTHUR MINERALS TRANSACTION UPDATE: WDR DEBT ACQUISITION & SALE OF MACARTHUR IRON ORE PROJECTS**

**Macarthur Minerals Limited (TSX-V: MMS, OTCQX: MMSDF)** (the “Company” or “Macarthur”) would like to update shareholders that it is successfully progressing towards completion of the two recently announced transactions:

- the acquisition of the debt facilities of Macquarie Bank Limited (“Macquarie”) that are secured over the assets of Western Desert Resources Limited’s (receivers and managers appointed) (in liquidation) (“WDR”) Roper Bar Iron Ore Project (the “Project”) located in Northern Territory, Australia, through the Macarthur Tulshyan joint venture (refer to the Company’s news release dated September 16, 2015); and
- the sale of the wholly owned subsidiary that owns the Western Australian Macarthur Iron Ore Projects for A\$6 million (refer to the Company’s news release dated October 13, 2015).

### **WDR SECURED DEBT ACQUISITION**

The parties have now executed the final transaction documents. The Macarthur Tulshyan Joint Venture (“JV”) has completed all conditions precedent for acquisition of the secured debt facilities including: due diligence approval of the Foreign Investment Review Board and conditional approval of the TSX Venture Exchange.

Financial close of the transaction will be on or before November 30, 2015 upon replacement by the JV of environmental bonds for the Project with the Northern Territory Minister for Mines and Energy for approximately A\$6.5 million. Macarthur and the Tulshyan Group will contribute the bonds in accordance with their respective joint venture interests i.e. 49% or A\$3.2 million for Macarthur and 51% or A\$3.3 million for Tulshyan Group.

Post completion of the transaction, the JV partners will determine the best strategy to recover the secured debt of A\$78 million while the Project remains under care and maintenance. This could include initially recommencing low cost, small scale project operations, with a longer term view to returning the Project into full operation.

Joe Phillips, CEO commented that *“In October, Macarthur’s management visited the Project, along with a potential major contractor. The Project remains in good condition with a significant amount of plant and equipment at the Project site and at the load out facility in the Gulf of Carpentaria. Further, the 140km haul road was inspected and is in serviceable condition.”*

### **SALE OF THE MACARTHUR IRON ORE PROJECTS**

An Extraordinary General Meeting to approve the sale of Macarthur Iron Ore Pty Ltd, which owns Macarthur’s Western Australian iron ore projects, for A\$6 million, will be held on November 26, 2015. Details of the meeting and voting procedures are set out below.

The transaction is moving towards completion. The following conditions precedent have been satisfied:

- conditional approval of the TSX Venture Exchange for the transaction;
- the Company has obtained a fairness opinion and valuation (instead of a formal valuation) from independent accounting firm, Hanrick Curran which indicated that the proposed consideration of \$6m is reasonable and the transaction from a financial point of view is “Fair”. A copy of this report will be sent to shareholders with the notice of meeting;
- tax advice for the Company; and

- The requirement for a geological report has been waived.

The status of the remaining conditions are:

- due diligence by the purchaser is nearing completion;
- commissioning of the Accountant's Report and Tenement Report by the Buyer are in progress;
- the contract for the acquisition of a third party's project by the purchaser has been executed; and
- Foreign Investment Review Board application is in progress.

### **EXTRAORDINARY GENERAL MEETING**

A copy of the Notice of Meeting, Management Information Circular and form of proxy will be available on the Company's website at [www.macarthurminerals.com](http://www.macarthurminerals.com) and on SEDAR. Macarthur encourages shareholders to read the meeting materials in detail.

Your vote is important. Macarthur's board of directors has recommended that shareholders vote FOR the resolution to sell all of the shares in the Company's 100% owned subsidiary, Macarthur Iron Ore Pty Ltd, which owns the tenements comprising the Ularring Hematite Project and the Moonshine Magnetite Project in the Yilgarn Region of Western Australia.

#### Registered Shareholders

Registered Macarthur shareholders, entitled to vote, are reminded that the proxy voting deadline for the AGM is 7:00 a.m. on Tuesday, November 24, 2015 (Australian Eastern Standard Time) or Monday, November 23, 2015 at 2:00 pm (Eastern Daylight Time) or 5:00 p.m. (Pacific Daylight Time) and to submit their proxy form as follows:

- by post and/or hand deliver to: Computershare Investor Services Inc., 100 University Avenue, 8<sup>th</sup> Floor Toronto, ON M5J 2Y1, Canada
- by fax to: 1-866-249-7775 (Toll Free North America); +1 416-263-9524 (International)
- by email to: [service@computershare.com](mailto:service@computershare.com)

Proxy forms may also be delivered to the Company's registered office in Australia at Level 20, 10 Eagle Street, Brisbane, Queensland, Australia, posted to the Company at P.O. Box 7031, Brisbane, Queensland, 4000, Australia or by facsimile to the Company on 07 3221 6152 or +617 3221 6152 (if sent from overseas).

#### Non-Registered Shareholders

Non-registered beneficial shareholders should carefully follow the instructions provided by their intermediary, including applicable deadlines, to ensure their vote is counted.

If you have any queries on how to cast your votes then call Mr. David Taplin on Australia local (07) 3221 1796 or international telephone +61 7 3221 1796 during Australian business hours or Macarthur's shareholder communications agent, Laurel Hill Advisory Group, by email at [assistance@laurelhill.com](mailto:assistance@laurelhill.com) or by telephone at 1-877-452-7184 (toll free within Canada or the U.S.) or + 1 416-304-0211 (for collect calls outside Canada and the U.S.).

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

Macarthur Minerals Limited 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**

*“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 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, the Company’s ability to bring the Project out of receivership and have the liquidation process cease with respect to WDR 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.