

NEWS RELEASE
December 4, 2015

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

MACARTHUR MINERALS' TRANSACTIONS UPDATE

Macarthur Minerals Limited (TSX-V: MMS, OTCQX: MMSDF) (the “Company” or “Macarthur”) would like to update shareholders on:

- the acquisition of the debt facilities that are secured over the assets of Western Desert Resources Limited and WDR Iron Ore Pty Ltd (both in receivership and liquidation) (“WDR”);
- the sale of the Company’s wholly owned subsidiary that owns the Western Australian iron ore projects for A\$6 million;
- board changes; and
- recovery of approximately \$738k in legal costs.

WDR SECURED DEBT ACQUISITION

As announced on September 16, 2015 and on October 28, 2015, the Company’s wholly owned subsidiary, Macarthur Minerals NT Pty Ltd and New Finley Assets Limited entered into a joint venture agreement to purchase the debt facilities of a major international financial institution, that are secured over WDR’s Roper Bar Iron Ore Project located in Northern Territory, Australia.

Financial close of the transaction was due on November 30, 2015. Due to the prevailing iron ore price and the pessimistic outlook for the iron ore market, the transaction will not be proceeding.

The Company will continue to pursue alternative development scenarios and identify counter cyclical investments that complement Macarthur’s capabilities.

SALE OF THE WESTERN AUSTRALIAN IRON ORE PROJECTS

As previously announced on October 13, 2015, the Company entered into a Share Sale Agreement with GIM Australia Pty Ltd to dispose of all the shares of its wholly owned subsidiary, Macarthur Iron Ore Pty Ltd (“MIO”) for A\$6 million (“Sale”). MIO owns all of Macarthur’s Western Australian iron ore project tenements.

The Company’s shareholders approved the Sale at an Extraordinary General Meeting on November 26, 2015. The Sale is moving towards completion and is due for financial close by December 11, 2015.

BOARD CHANGES

In a move to reduce administrative costs, the Company also announces the resignation of Mr Joe Phillips, CEO and Executive Director, and Mr Earl Evans, Non-Executive Chairman.

The Board will now comprise of Mr Cameron McCall as Non-Executive Chairman, Mr David Taplin as CEO and Company Secretary and Mr Alan Phillips as Executive Director.

The Company would like to thank Mr Joe Phillips and Mr Earl Evans for their significant contributions to the Company.

RECOVERY OF LEGAL COSTS

In April 2014 judgement and costs, on an indemnity basis, were awarded to the Liquidator of First Strategic Development Corporation Ltd (“FSDC”) for the insolvent trading action against Messrs Chan, Chan & Kwok (the “FSDC Directors”). Costs were also awarded to the Liquidator of FSDC on a standard basis following dismissal of the FSDC Directors’ appeal to the Queensland Court of Appeal.

The Liquidator has received a cost assessor’s certificate in respect to the FSDC Directors’ appeal, in the amount of \$66,621. The Liquidator has also received provisional costs assessment for the insolvent

trading action against the FSDC Directors for \$671,287.

Currently, the Liquidator's solicitor holds \$423,000 in trust, which will be applied against the total awarded costs.

The Company, as funding creditor, will be reimbursed \$423,000 (less legal and liquidation costs) of the costs before December 31, 2015, and the remaining amount of approximately \$315,000 (less legal and liquidation costs) will be reimbursed to the Company following recoupment from the FSDC Directors by the Liquidator.

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

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

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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.