

NEWS RELEASE
August 31, 2018

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For Immediate Dissemination

MACARTHUR MINERALS DEFINES GOLD EXPLORATION TARGET AT ITS BONNIE SCOT PROJECT IN THE PILBARA, WESTERN AUSTRALIA

Macarthur Minerals Limited (TSX-V: MMS) (the “Company” or “Macarthur Minerals”) is pleased to announce that it has completed the second phase of a stream sediment sampling program at its Bonnie Scot Project in the Pilbara region of Western Australia (“Bonnie Scot”). The results showed a geochemical cluster of anomalous gold up to 45.9 parts per billion (“ppb”) and consistent with the previous survey.

Mr Cameron McCall, Executive Chairman of Macarthur Minerals commented: *“The Bonnie Scot Project is developing well with a solid geochemical signature delineating a prospective gold target. The geological team will now concentrate exploration efforts across this target to assess the potential for gold mineralisation.”*

Stream Sediment Sampling

The Phase 1 sampling program, previously reported on June 13, 2018 concentrated on the contact of the Mount Roe Basalt as a target for conglomerate hosted gold. Results of that survey identified a gold anomaly distal to the contact zone and concentrated on the North Shaw Tonalite. The Phase 2 survey was expanded to cover drainage courses previously not sampled.

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 1**).

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.

Bonnie Scot

The Bonnie Scot project (E45/4764) is located approximately 42 km west-southwest of Marble Bar and 265 km east-south-east of Karratha, in the Pilbara region of Western Australia.

The Bonnie Scot project is ideally situated adjacent to Macarthur Mineral’s Exploration Licences E45/4779 and E45/4732 which are part of the Company’s farm-in deal with Artemis Resources Limited (“Artemis”). The Bonnie Scot project is also in close proximity to areas owned by Novo Resources Limited and the Creasy Group projects that are currently being explored for conglomerate hosted gold.

Geological Survey of Western Australia (GSWA) mapping across the tenement shows areas of the Mt Roe Basalt which is known to overlie the conglomerate gold horizon at Artemis’ Purdy’s Reward. Beds of auriferous (gold containing) conglomerate up to 2 m thick at the base of the Mt Roe Basalt have been worked at the Just-In-Time and Tassy Queen mines located within 10 km of Macarthur Minerals’ tenements and in close proximity to ground held by Novo Resources Limited and Creasy Group.

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 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 Ullaring 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

Company Contact:

Joe Phillips, CEO and Director
jphillips@macarthurminerals.com
Tel: +61 448899247

www.macarthurminerals.com

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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. 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.

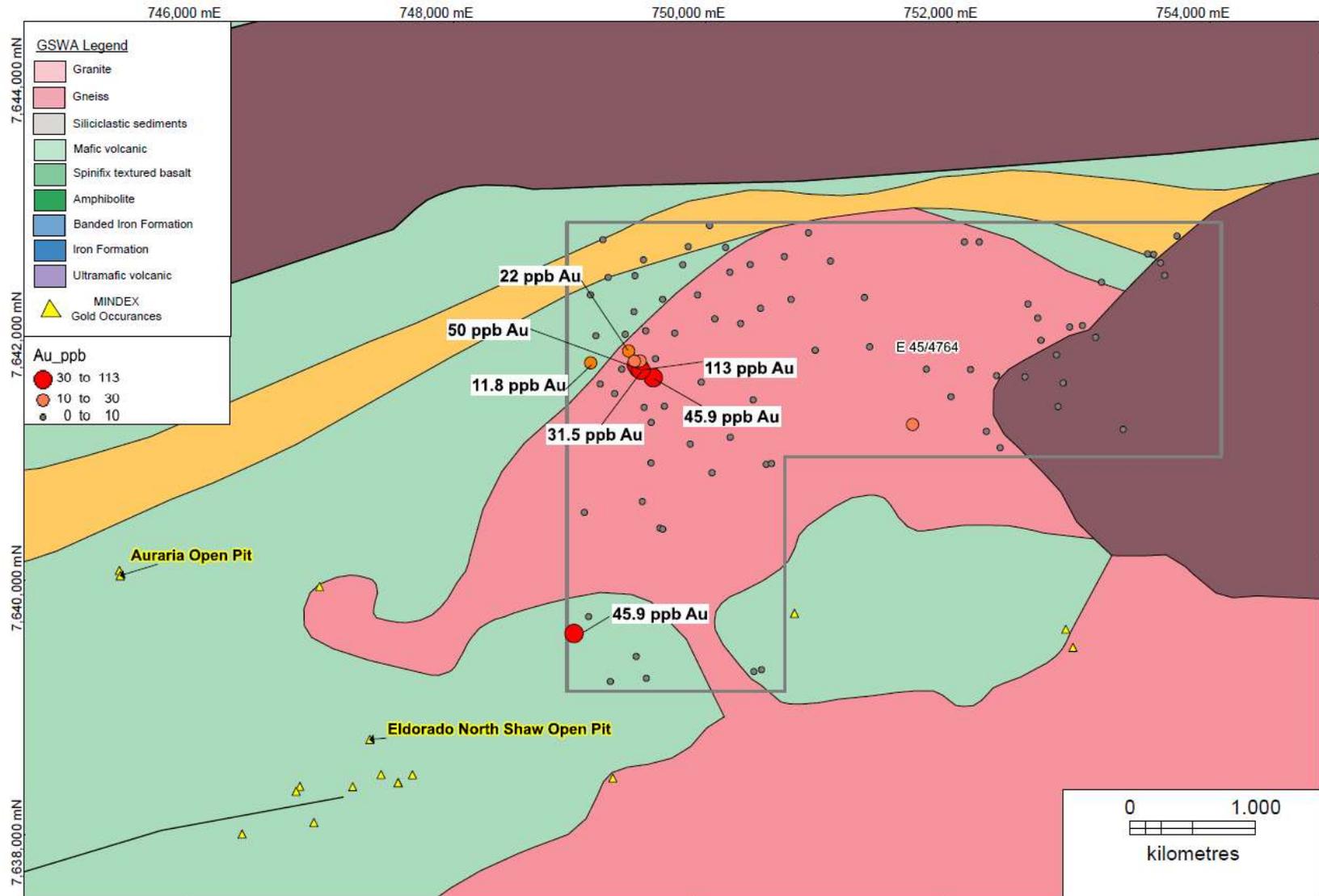


Figure 1 – Stream sediment sampling results at the Bonnie Scot project