

**NEWS RELEASE**  
February 23, 2017

**Symbol: TSX-V: MMS**  
For Immediate Dissemination

**MACARTHUR MINERALS  
CLOSES PRE-ASX IPO FUND RAISING  
FOR MACARTHUR AUSTRALIA LIMITED  
42% OVERSUBSCRIBED**

**Macarthur Minerals Limited (TSX-V: MMS)** (the “Company” or “Macarthur Minerals”) is pleased to announce that it has closed its fundraising for Macarthur Australia Limited (“Macarthur Australia”) oversubscribed for A\$1.4 million prior to Macarthur Australia’s intended Initial Public Offering (“IPO”) on the Australian Securities Exchange (“ASX”).

**David Taplin, President, CEO and Director of Macarthur Minerals, commented:**

*“Closing of the Pre-IPO fund raising for Macarthur Australia Limited, oversubscribed, demonstrates strong interest for the upcoming IPO of our Australian iron ore and lithium projects. Demand for the Pre-IPO fund raising was so strong, we had to close early, declining and scaling back subscription applications. We believe that an ASX IPO of Macarthur Australia will provide improved price realisation for our Australian iron ore and lithium projects more consistent with ASX listed peers. Funds raised in an IPO will allow Macarthur Australia to significantly advance the Australian iron ore and lithium projects.”*

**ASX IPO of Macarthur Australia Limited**

The previously announced intended ASX IPO of the Company’s Australian iron ore and lithium projects, is well advanced, targeted for opening in March/April 2017.

Prior to the intended IPO, Macarthur Minerals will be issued approximately 125 million shares or 91% of Macarthur Australia for consideration for sale of its subsidiaries, Macarthur Iron Ore Pty Ltd (“MIO”) and Macarthur Lithium Pty Ltd (“MLi”) to Macarthur Australia. MIO and MLi, respectively own the Australian iron ore and ‘hard rock’ lithium projects. The sale of MIO and MLi to Macarthur Australia has received conditional acceptance of the TSX Venture Exchange.

Pre-IPO investors will be issued approximately 12.7 million shares or 9% of Macarthur Australia, prior to the intended IPO. Pre-IPO subscription funds will be held in escrow until Macarthur Minerals has affected transfer of its subsidiaries to Macarthur Australia.

The board of Macarthur Minerals believes that an ASX IPO of its Australian subsidiaries, which hold its Australian iron ore and lithium projects, will provide improved price realisation for those projects more consistent with its ASX listed peers. Macarthur Australia intends to raise between approximately A\$5 million and A\$14 million in an ASX IPO with Macarthur Minerals retaining between approximately 60% and 77% of Macarthur Australia. In accordance with ASX Listing Rules the minimum IPO issue price is A\$0.20 per share.

Funds raised in the intended IPO will allow Macarthur Australia to significantly advance the Australian iron ore and lithium projects.

Macarthur Minerals’ wholly owned subsidiary, Macarthur Lithium Nevada Limited, will continue to advance the Stonewall Lithium Project, located in Nevada.

**ABOUT MACARTHUR MINERALS LIMITED (TSX-V: MMS)**

Macarthur Minerals Limited is an exploration and development company that is focused on identifying and developing its iron ore projects and its lithium exploration interests in Australia and Nevada. Macarthur has two advanced iron ore projects in Western Australia; the Ularring hematite project and the Moonshine magnetite project.

**UPCOMING EVENTS**

MACARTHUR will be attending the 2017 Prospectors and Developers Association of Canada (PDAC) International Convention and Investors Exchange in Toronto, March 5-8 at the Metro Toronto Convention Centre.

We invite you to meet the Macarthur team at Booth #2344. The conference will provide current and prospective shareholders an opportunity to speak with management about the Company's recent developments.

On behalf of the Board of Directors,  
**MACARTHUR MINERALS LIMITED**

"Cameron McCall"  
Cameron McCall, Chairman

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and Director

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**Caution Regarding the IPO and Forward Looking Statements**

All offers of securities in regards to the IPO of Macarthur Australia Limited will be made in Australia pursuant to a Prospectus prepared in accordance with the Australian *Corporations Act 2001 (Cth)* and registered with the Australian Securities and Investments Commission (**ASIC**). Anyone who wishes to acquire securities as part of the IPO will only be able to do so by completing an application form which will be in or accompany the Prospectus.

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.