

NEWS RELEASE
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For Immediate Dissemination

MACARTHUR MINERALS AND VENTUREX EXPANDS MEMORANDUM OF UNDERSTANDING TO INCLUDE WHIM CREEK

Macarthur Minerals Limited (TSX-V: MMS) (the “Company” or “Macarthur Minerals”) is pleased to announce that the Company (through its 100% owned subsidiary Macarthur Lithium Pty Ltd) has agreed to expand the recently announced¹ Memorandum of Understanding (“MOU”) with Venturex Resources Limited (ASX: VXR) (“VXR”) to include the lithium rights on VXR’s Whim Creek Project, in addition to VXR’s Sulphur Springs Project.

VXR has applied for a new exploration licence adjacent to the Sulphur Springs Project which has also been included in the scope of the MOU.

In addition, the time for conducting due diligence has been extended from two months to four months to confirm that the area is prospective for lithium. All other terms of the MOU remain the same.

Whim Creek

Whim Creek covers approximately 124 square kilometres (30,641 acres) of Mining Leases, Exploration Licences and Miscellaneous Licenses (see Figure 1). The Whim Creek project area covers the Archaean Whim Creek Greenstone Belt within the North Pilbara region, consisting of heavily faulted North-East trending volcanic and sedimentary rocks wrapped around earlier granitoid batholiths. The acreage covers an area of potential host rock sequences (‘greenstone belts’) for Lithium-Caesium-Tantalum (“LCT”) class of pegmatites and are located within 5–10km of the Caines Monzogranite which may be the magmatic source for LCT pegmatites.

Sulphur Springs

Sulphur Springs covers approximately 118 square kilometres (29,158 acres) of Mining Leases, Exploration Licences applications and Miscellaneous Licenses for haul road access into the project area. Sulphur Springs covers a northeast-southwest trending faulted geological contact between mafic rocks and folded sediments where the Archean greenstones and volcanoclastic rocks are folded around the intrusive Strelley Granite batholith. The acreage covers an area of potential host rock sequences (‘greenstone belts’) for LCT class of pegmatites and is located within 5–10km of a monzogranite intrusion (Strelley batholith), which may be the magmatic source for LCT pegmatites.

The Sulphur Springs acreage is adjacent to Macarthur’s exploration licence applications E45/4735, E45/4732 and E45/4779 (see Figure 1).

Whim Creek and Sulphur Springs Strategy

The majority of the acreage is comprised of granted Mining Leases M45/653, M45/494, M45/587, M45/1001, M 47/236, M 47/443, M 47/238, M47/323 and M47/324 which will allow for drilling and exploration activities for lithium to be fast-tracked, once the area is confirmed to be prospective for lithium. VXR has conducted reverse circulation (RC) drilling for zinc-copper across the Sulphur Springs acreage, which has generated a geochemical database and the opportunity to resample existing drill spoil and RC

¹ Macarthur Minerals Limited announcement, May 27, 2016 <http://macarthurminerals.com/wp-content/uploads/2016/05/20160527.pdf>

drill chips for lithium or lithium pathfinder elements.

Many of Macarthur's Exploration Licence Applications and VXR's Sulphur Springs acreage is adjacent to acreage of Australian iron ore producer, Atlas Iron Limited (ASX: AGO) ("Atlas"). Atlas' Managing Director, David Flanagan, speaking to CNBC at the Resources' Rising Stars Conference in May 2016, said: "It turns out we've got a lot of tenements near companies with high-value lithium projects. It also turns out that some of that lithium also appears on our grounds,"² Atlas announced in its May 2016 Investor Presentation that it held "prospective tenure in zones of known world-class lithium-tantalum deposits"³ in the Pilbara region of Western Australia.

Lithium Strategy

Macarthur is a pure lithium play company, focussed on the acquisition and development of high quality lithium acreage. Consistent with this strategy, the Company has applied for acreage in the Pilbara region where Pilbara Minerals Limited (ASX: PLS) has its Pilgangoora lithium-tantalum project for which it recently raised A\$100 million for further development⁴, Altura Mining Limited (ASX: AJM) has its Pilgangoora Lithium Project for which it recently raised A\$20 million⁵ and Dakota Minerals Limited (ASX: DKO) has its Lynas Find Project for which it recently raised A\$12.3 million to conduct further exploration⁶. The Company has also applied for acreage in the Ravensthorpe region where Galaxy Resources Limited (ASX: GXY) has commenced production for spodumene and tantalum concentrate at its Mt Cattlin project.

Macarthur is currently evaluating its acreage and commencing discussions with various third parties concerning potential joint ventures to maximise the exploration effort throughout 2016. As referred to in the Company's press release dated May 17, 2016.

Acreage Package

The Company now holds 20 Exploration Licence Applications and prospective interest in rights to lithium on Sulphur Springs and Whim Creek covering a total area of 1,681 square kilometres (415,384 acres) in the Pilbara Craton, and in the Ravensthorpe and the Edah regions of the Yilgarn Craton.

ABOUT VENTUREX RESOURCES LIMITED

VXR is a resource company listed on the Australian Securities Exchange (ASX: VXR) focused on becoming a significant copper-zinc producer through the development of its two advanced copper zinc projects; Sulphur Springs Project and the Whim Creek Project located in the East Pilbara region of Western Australia.

ABOUT MACARTHUR MINERALS LIMITED (TSX-V: MMS)

Macarthur Minerals Limited is an exploration and development company that is focused on identifying and developing high grade lithium and counter cyclical investments that complement Macarthur's capabilities.

² CNBC, Nyshka Chandran May 25, 2016 *Australian lithium miners in focus on rising global demand for electric vehicles* <http://www.cnbc.com/2016/05/25/australian-lithium-miners-in-focus-on-rising-global-demand-for-electric-vehicles.html>

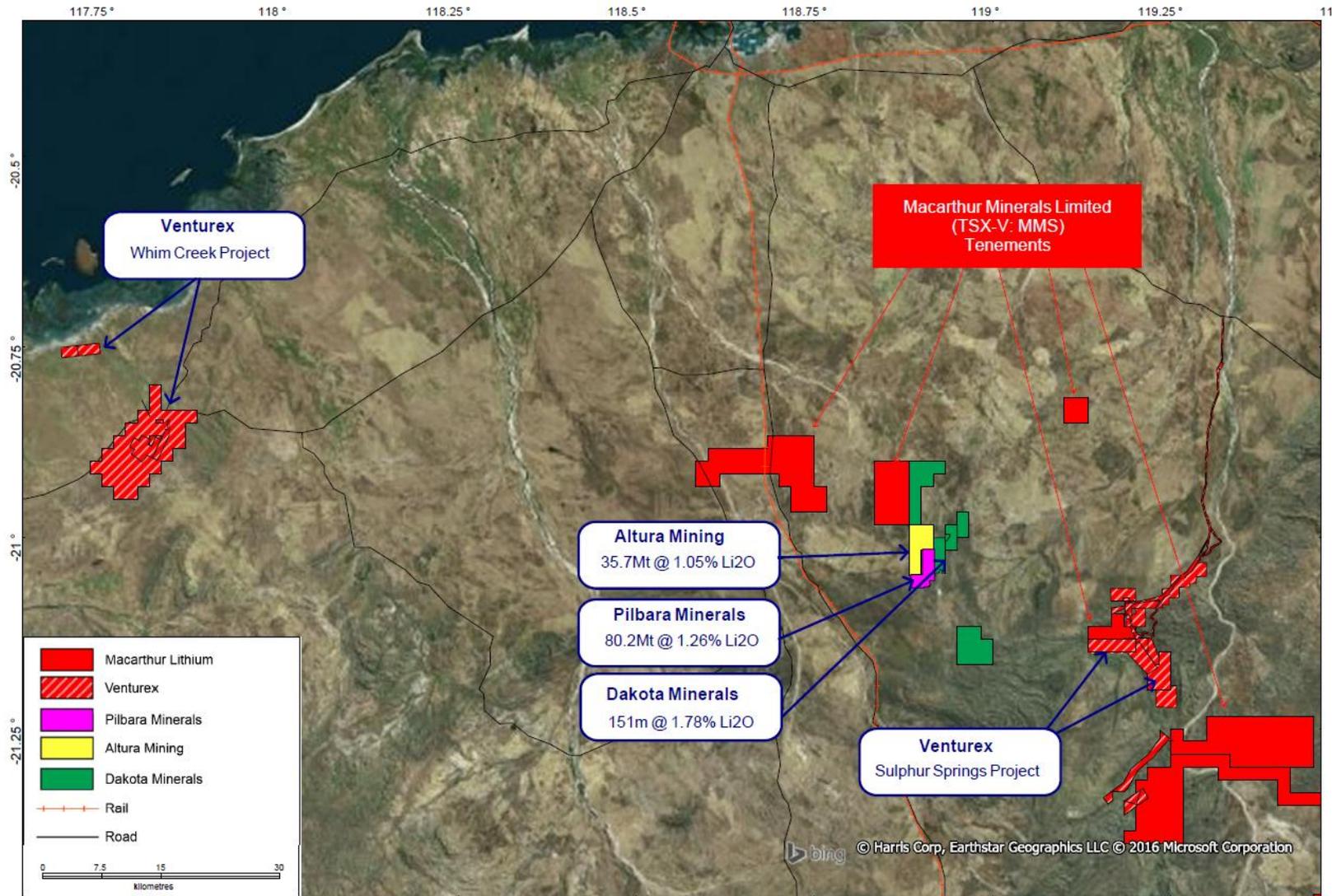
³ Atlas Iron Limited's May 2016 Investor Presentation, <http://www.atlasiron.com.au/irm/PDF/5868/May2016InvestorPresentation>

⁴ Pilbara Minerals Limited's ASX announcement dated April 7, 2016, <http://www.asx.com.au/asxpdf/20160407/pdf/436cb822nflw3w.pdf>

⁵ Altura Mining Limited's ASX announcement dated June 20, 2016 <http://www.asx.com.au/asx/statistics/displayAnnouncement.do?display=pdf&idsId=01750088>

⁶ Dakota Minerals Limited's ASX announcement dated May 2, 2016, <http://www.asx.com.au/asx/statistics/displayAnnouncement.do?display=pdf&idsId=01736822>

Figure 1 – Location of Whim Creek Project and Sulphur Springs Project



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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