

**NEWS RELEASE**  
August 3, 2016

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

## **MACARTHUR MINERALS**

### **2016 HIGHLIGHTS & ANNUAL GENERAL MEETING**

**Macarthur Minerals Limited (TSX-V: MMS)** (the “Company” or “Macarthur Minerals”) is pleased to announce the Chairman’s Highlights for financial year end March 31, 2016 as contained in its annual reports. The Company will hold its Annual General Meeting on August 31, 2016 at 10 AM in Brisbane (details including voting procedures are contained below).

Macarthur Minerals’ Chairman’s key highlights for 2016 include:

#### Lithium

- *“Macarthur Minerals refocussed its strategy to identify and develop lithium projects, placing our “shovel ready” Western Australian iron ore project on hold until the iron price improved.”*
- *“We have made significant steps forward to become a significant new player in the evolving global lithium supply market.”*
- *“Acquiring one of the largest “hard rock” lithium acreage packages for any junior company now covering a total area of 1,678 square kilometres in the Pilbara, Ravensthorpe and Edah regions of Western Australia.”*
- *“Macarthur’s lithium acreage is in the heart of the Australian lithium boom province (the Pilbara).”*
- *“Macarthur will rapidly move forward to explore its lithium acreage and continue to identify and acquire high quality lithium assets.”*

#### Iron Ore

- *“There is real potential for our iron ore assets to again add considerable market value in the future, with the company having previously spent over \$60 million to develop them to a “shovel ready” stage.”*
- *“Our advanced iron ore projects for hematite and magnetite remain very valuable assets. We are now observing good indications that the price of iron ore has recovered from its 2015 low of US\$38.30 per tonne to a spot price today of US\$61.94<sup>1</sup> per tonne.”*
- *“We will also identify opportunities to maximise the value of our two iron ore projects as the global iron ore market continues to recover.”*

A full extract of the Chairman’s Highlights from the Company’s 2016 Annual Report is contained below.

#### **CHAIRMAN’S 2016 HIGHLIGHTS**

This year, Macarthur Minerals refocussed its strategy to identify and develop lithium projects, placing our “shovel ready” Western Australian iron ore project on hold, whilst global iron ore markets continue to recover. We are excited about the potential of our iron ore assets to add real value for our shareholders in the future.

We have made significant steps forward to become a significant new player in the evolving global lithium supply market, acquiring one of the largest “hard rock” lithium acreage packages for any junior company.

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<sup>1</sup> Australian Financial Review, August 3, 2016.

Macarthur currently holds a very large lithium acreage portfolio in Australia, now covering a total area of 1,678 square kilometres in the Pilbara, Ravensthorpe and Edah regions of Western Australia.

Macarthur's acreage is in the heart of the Australian lithium boom province. The company now has a number of exciting lithium acreage plays adjacent to some of the up and coming new Australian lithium companies in the Pilbara and elsewhere in Australia.

Our advanced iron ore projects for hematite and magnetite remain very valuable assets. We are now observing good indications that the price of iron ore has recovered from its 2015 low of US\$38.30 per tonne to a spot price today of US\$61.94<sup>2</sup> per tonne. Since its 2015 low, the price has risen by over 62% and we are optimistic that this positive sentiment can continue. There is real potential for our iron ore assets to again add considerable market value in the future, with the company having previously spent over \$60 million to develop them to a "shovel ready" stage.

#### Lithium Acreage

Macarthur's Pilbara lithium acreage is adjacent to and covers similar geological settings to the "world class" Pilgangoora lithium deposits, which host the advanced lithium projects of ASX listed companies, Pilbara Minerals Limited and Altura Mining Limited. Initial reconnaissance across a fraction of our Pilbara lithium acreage has been very encouraging justifying continued assessment.

#### Rare Earth Minerals Strategic Investment

Rare Earth Minerals plc ("REM") recently made a strategic investment in Macarthur. REM a London listed company holds 13.07% interest in Macarthur and it is proposed at the AGM to obtain shareholder approval to increase its interest to 23.12% through exercise of warrants. REM is creating a diverse portfolio of interests in lithium projects globally. REM brings to Macarthur expertise in developing global lithium projects and strong support for our future activities.

#### Sulphur Springs and Whim Creek Joint Venture

Macarthur has recently entered into a Memorandum of Understanding with an ASX listed company for a Farm-in and Joint Venture Agreement for rights to lithium on their Sulphur Springs and Whim Creek Projects in the Pilbara, which is contiguous with some of our lithium acreage.

#### Ravensthorpe Farm-in by Canadian Company

Macarthur recently entered into a Memorandum of Understanding with a Canadian lithium company for a farm-into our lithium acreage at Ravensthorpe for minimum expenditure of A\$2 million to earn a 51% interest. The farm-in allows us to accelerate our lithium exploration activities over Macarthur's large acreage package and to maximise our exploration efforts in the Pilbara region.

#### Macarthur Iron Ore Projects

Macarthur retains its two iron ore projects in Western Australia; the Ularring hematite project (Indicated 54.46 million tonnes @ 47.2% Fe, Inferred 25.99 million tonnes @ 45.4% Fe - Pre-Feasibility Study) and the Moonshine magnetite project (1.3 billion tonnes @ 30.1% Fe - Preliminary Economic Assessment). We previously received approval to develop an iron ore mine for the Ularring project. We are receiving renewed interest in our iron ore projects with recovery of the iron ore price from its historic lows.

#### Moving Forward

Macarthur will rapidly move forward to explore its lithium acreage and continue to identify and acquire high quality lithium assets. We have an excellent acreage package forming the foundations for our future success in the lithium supply industry. While we continue to develop and grow our lithium assets, we will also identify opportunities to maximise the value of our two iron ore projects as the global iron ore market continues to recover.

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<sup>2</sup> Australian Financial Review, August 3, 2016.

## ANNUAL GENERAL MEETING

The Company will be filing today its Notice of Annual General Meeting, Management Information Circular and related proxy materials with Canadian securities regulators in preparation for the Company's Annual General Meeting ("AGM"). The AGM will be held at Dexus Place, Level 31, Waterfront Place, 1 Eagle Street, Brisbane, Queensland, Australia on Wednesday, August 31, 2016 commencing at 10:00 a.m. (Australian Eastern Standard Time).

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

The Company has filed its audited annual reports for the year end March 31, 2016. These documents can also be found on SEDAR and on the Company's website.

Your vote is important. Macarthur's board of directors has recommended that shareholders vote FOR all resolutions.

### Registered Shareholders

Registered Macarthur shareholders, entitled to vote, are reminded that the proxy voting deadline for the AGM is **7:00 a.m. on Saturday, August 27, 2016 (Australian Eastern Standard Time) or Friday, August 26, 2016 at 5:00 pm (Eastern Daylight Time) or 2:00 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 please 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)

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.

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

*"Cameron McCall"*  
Cameron McCall, Chairman

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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.