

NEWS RELEASE

December 13, 2017

Symbol: TSX-V: MMS

For Immediate Dissemination

MACARTHUR MINERALS CLOSES SUCCESSFUL \$1.9M FULLY UNDERWRITTEN RIGHTS OFFER

Macarthur Minerals Limited (TSX-V: MMS) (the “Company” or “Macarthur Minerals”) is pleased to announce that it has closed its previously announced rights offering which expired on December 12, 2017 (the “**Rights Offering**”), subject to final Exchange approval. Macarthur Minerals will issue 31,712,730 Units (“**Units**”) of the Company at a price of C\$0.06 per Unit for gross proceeds of C\$1,902,764.

Cameron McCall, Executive Chairman of Macarthur Minerals commented;

“We thank our Shareholders for their strong support, with over half of the Rights Offering being additional subscriptions from our current Shareholders. \$1.9 million raised from the Rights Offering, will be directed towards exploration of Macarthur Minerals’ gold and lithium projects in Pilbara, as well as its Reynolds Springs lithium brine project in Nevada. The Company will also continue to advance its iron ore projects in the Yilgarn region of Western Australia towards development.”

Each whole Unit consists of one Common Share and one Common Share purchase warrant (“Warrant”). Each whole Warrant entitles the holder to acquire one Common Share for C\$0.20 for a term of 12 months from the date of issue of the Unit, unless accelerated by the Company.

A total of 7,685,031 Units will be issued pursuant to the basic subscription privilege granted under the Rights Offering, of which, to the knowledge of the Company, 614,042 Units will be issued to insiders of the Company and 7,070,989 Units will be issued to non-insiders of the Company. A total of 16,692,425 Units will be issued pursuant to the additional subscription privilege granted under the Rights Offering, of which, to the knowledge of the Company, all of the additional subscription privilege Units will be issued to non-insiders of the Company.

Orbit Drilling Pty Ltd (“Orbit Drilling”), the Standby Guarantor will acquire an aggregate of 7,335,274 Units in connection with the Rights Offering pursuant to its stand-by commitment. Orbit Drilling will own 7,335,274 Common Shares representing ~3% of the issued and outstanding Common Shares following closing and 7,335,274 Warrants.

Following closing of the Rights Offering, Macarthur Minerals will have 231,285,350 Common Shares issued and outstanding.

The net proceeds of the Rights Offering to analyse the potential for lithium and gold on its acreage, pay care and maintenance costs on Macarthur Minerals’ existing acreage and for ongoing working capital.

ABOUT MACARTHUR MINERALS LIMITED (TSX-V: MMS)

Macarthur Minerals Limited is an exploration company that is focused on identifying high grade gold and lithium. Macarthur Minerals has significant gold, lithium and iron ore exploration interests in Australia and Nevada. Macarthur Minerals has two iron ore projects in Western Australia; the Ularring hematite project and the Moonshine magnetite project.

On behalf of the Board of Directors,

MACARTHUR MINERALS LIMITED

"Cameron McCall"

Cameron McCall, Executive 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.