

SINGAPOREAN STEEL AND SHIPPING GROUP SIGNS FUNDING MANDATE FOR MACARTHUR MINERALS AUSTRALIAN IRON ORE PROJECT

Macarthur Minerals Limited (TSX-V: MMS) (the “Company” or “Macarthur Minerals”) is pleased to announce that it has entered into a non exclusive mandate with the Tulshyan Group to raise up to A\$200 million with an initial tranche of A\$50 million to develop the Company’s Ularring hematite iron ore project located in Western Australia.

The Tulshyan Group made a strategic investment in the Company in January this year. The Tulshyan Group, based in Singapore, is one of the largest recyclers of scrap steel in the world, has a significant shipping business with a fleet of over 30 ships and is expanding its commercial aircraft leasing business. The Tulshyan Group has significant experience in sales, marketing of steel and iron ore and access to capital for potential development of the Company’s Western Australian iron ore projects.

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

“Macarthur Minerals is pleased to be working with Tulshyan Group to raise funds to develop the Company’s Ularring hematite project. Tulshyan brings to Macarthur significant experience in shipping, sales, marketing of steel and iron ore and has access to capital to assist in potential development of the Company’s Western Australian iron ore projects. We are now observing good indications that the price of iron ore has recovered from its 2015 low of US\$38.30¹ per tonne to a spot price today of US\$92.23² per tonne with the advantage of a favourable exchange rate due to depreciation of the Australian dollar against US dollar.”

Australian Iron Ore Projects

Macarthur Minerals’ iron ore projects are located on mining tenements covering approximately 62km² located 175 km northwest of Kalgoorlie in Western Australia (Figure 1 and Figure 2). Within the tenements, at least 35 km strike extent of outcropping banded iron formation (“BIF”) occurs as low ridges, surrounded by intensely weathered and mostly unexposed granites, basalts and ultramafic rocks.

The Iron Ore Projects consist of two distinct mineral projects:

1. The Ularring hematite project: encompassing hematite iron ore (“hematite”), to be marketed as potential direct shipping and/or beneficiated iron ore; and
2. The Moonshine magnetite project: encompassing magnetite iron ore (“magnetite”), to be marketed as a beneficiated magnetite concentrate.

The Company has been maintaining the core iron ore projects’ assets and they remain valuable assets having previously spent over \$60 million to develop them. There is real potential for the iron ore projects to add significant value with the recovery of global iron ore markets.

Since July 2006 Macarthur Minerals has drilled 1,841 reverse circulation percussion drill holes

¹ Jasmine Ng, ‘Iron ore sheds 4.3pc on week, ending at record low’, Australian Financial Review, Dec 12, 2015.

² Australian Financial Review, February 14, 2017

(142,443 metres) and 49 diamond holes (4,170 metres) targeting iron mineralisation associated with BIF units. Exploration at both Ularring hematite and Moonshine magnetite projects has been sufficient to allow the estimation of Mineral Resources for both projects.

The Ularring hematite project's Mineral Resource consists of Indicated 54.46 Mt @ 47.2% Fe and Inferred 25.99Mt @ 45.4% Fe³. Macarthur Minerals published a Pre-Feasibility Study in 2012, reporting Mineral Reserves⁴.

The Company has received approval to develop an iron ore mine for the Ularring hematite project and associated infrastructure at the project location under the *Environmental Protection Act 1986* and the *Environmental and Biodiversity Conservation Act 1999*.

The Inferred Mineral Resource estimate for the Moonshine Magnetite Project was initially prepared by CSA Global Pty Ltd⁵ and was updated by Snowden Mining Industry Consultants, with an Inferred Mineral Resource consisting of 1,316 Mt @ 30.1% Fe⁶.

A Preliminary Assessment Report was prepared on the Moonshine magnetite project by Snowden Mining Industry Consultants in 2011⁷.

Terms of Mandate

The Company, through its 100% owned subsidiary, Macarthur Australia Limited (**MAL**), has entered into a mandate with Jewel Bright Limited, part of the Tulshyan Group. Jewel Bright Limited will raise up to A\$200 million via various tranches to fund the Ularring hematite project, for a 10% fee on monies raised, a specified amount of options in MAL and other conditions.

QUALIFIED PERSONS

Mr David Williams, a member of the Australian Institute of Geoscientists, is a part-time employee of CSA Global Pty Ltd and is a Qualified Person as defined in National Instrument 43-101. Mr Williams has reviewed and approved the technical information in relation to the Iron Ore Projects contained in this news release.

ABOUT TULSHYAN GROUP

The Tulshyan Group (Singapore), which has been in business for 33 years, is established in four main businesses; ship owning, ship recycling, aircraft leasing and diversified real estate. The Tulshyan Group operates a fleet of over 30 ships, which consists of tankers and specialised vessels. Tulshyan is one of the largest recyclers of ships in the world. The Tulshyan Group has expanded to commercial aircraft leasing, recently having purchased a new A320-200 and a new Boeing 737-800. The aircraft are leased on long term leases to first class airlines. Tulshyan is also in the process of negotiating the purchase of another 5 young aircrafts.

³ Previously announced on August 16, 2012 NI 43-101 Technical Report filed October 1, 2012, titled "NI 43-101 Technical Report, Macarthur Minerals Limited, Pre-Feasibility Study, Ularring Hematite Project, Western Australia

⁴ Previously announced on August 16, 2012 NI 43-101 Technical Report filed October 1, 2012, titled "NI 43-101 Technical Report, Macarthur Minerals Limited, Pre-Feasibility Study, Ularring Hematite Project, Western Australia

⁵ NI43-101 Technical Report filed December 17, 2009, titled "NI43-101 Technical Report on Lake Giles Iron Ore Project: Western Australia

⁶ NI43-101 Technical Report filed March 25, 2011, titled "Macarthur Minerals Limited: Moonshine and Moonshine North Prospects, Lake Giles Iron Project, Western Australia, NI43-101 Technical Report – Preliminary Assessment

⁷ NI43-101 Technical Report filed March 25, 2011, titled "Macarthur Minerals Limited: Moonshine and Moonshine North Prospects, Lake Giles Iron Project, Western Australia, NI43-101 Technical Report – Preliminary Assessment

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, with significant lithium exploration interest in Australia and Nevada. In addition, Macarthur has two 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

Company Contact:
David Taplin, President, CEO
and Director
dtaplin@macarthurminerals.com
Tel: +61 407470044
www.macarthurminerals.com

THIS NEWS RELEASE IS NOT FOR DISTRIBUTION TO UNITED STATES SERVICES OR FOR DISSEMINATION IN THE UNITED STATES

NEITHER TSX VENTURE EXCHANGE NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE TSX VENTURE EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

Caution Regarding Forward Looking Statements

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 – Location of the Macarthur Iron Ore projects.



Figure 2—Macarthur Iron Ore Project tenements

