

NEWS RELEASE
December 23, 2019

Symbols: TSX-V: MMS, ASX: MIO
For Immediate Dissemination

MACARTHUR MINERALS SECURES ACCESS TO LAND FOR INFRASTRUCTURE AT ITS LAKE GILES IRON PROJECT IN WESTERN AUSTRALIA

Macarthur Minerals Limited (TSX-V: MMS) (ASX: MIO) (the “Company” or “Macarthur”) is pleased to announce that it has entered into an agreement with Arrow Minerals Limited (“Arrow”) to acquire mineral tenure for the development of site infrastructure at its Lake Giles Iron Project.

Macarthur has acquired a substantial package of land covering approximately 4950 ha adjacent to the Moonshine Magnetite deposit. The tenure will be used for constructing supporting infrastructure including waste rocks dumps, processing plant, camp, airstrip and a tailings storage facility (Figure 1). The deal with Arrow also paves the way forward to obtain access to tenure to construct a private haul road from the project through to the open access Perth to Kalgoorlie railway owned by Arc Infrastructure.

Macarthur plans to commence site investigations including geotechnical drilling, groundwater exploration and environmental surveys in early January 2020 as it progresses the Feasibility Study of its Lake Giles Project aimed at producing a high-grade magnetite concentrate.

In consideration for entering into the agreement, Macarthur will pay Arrow \$500,000, being \$250,000 in cash, to be paid immediately, and issue \$250,000 in shares in six months. The shares will be issued at a 20% discount to the 5-day VWAP prior to the issue.

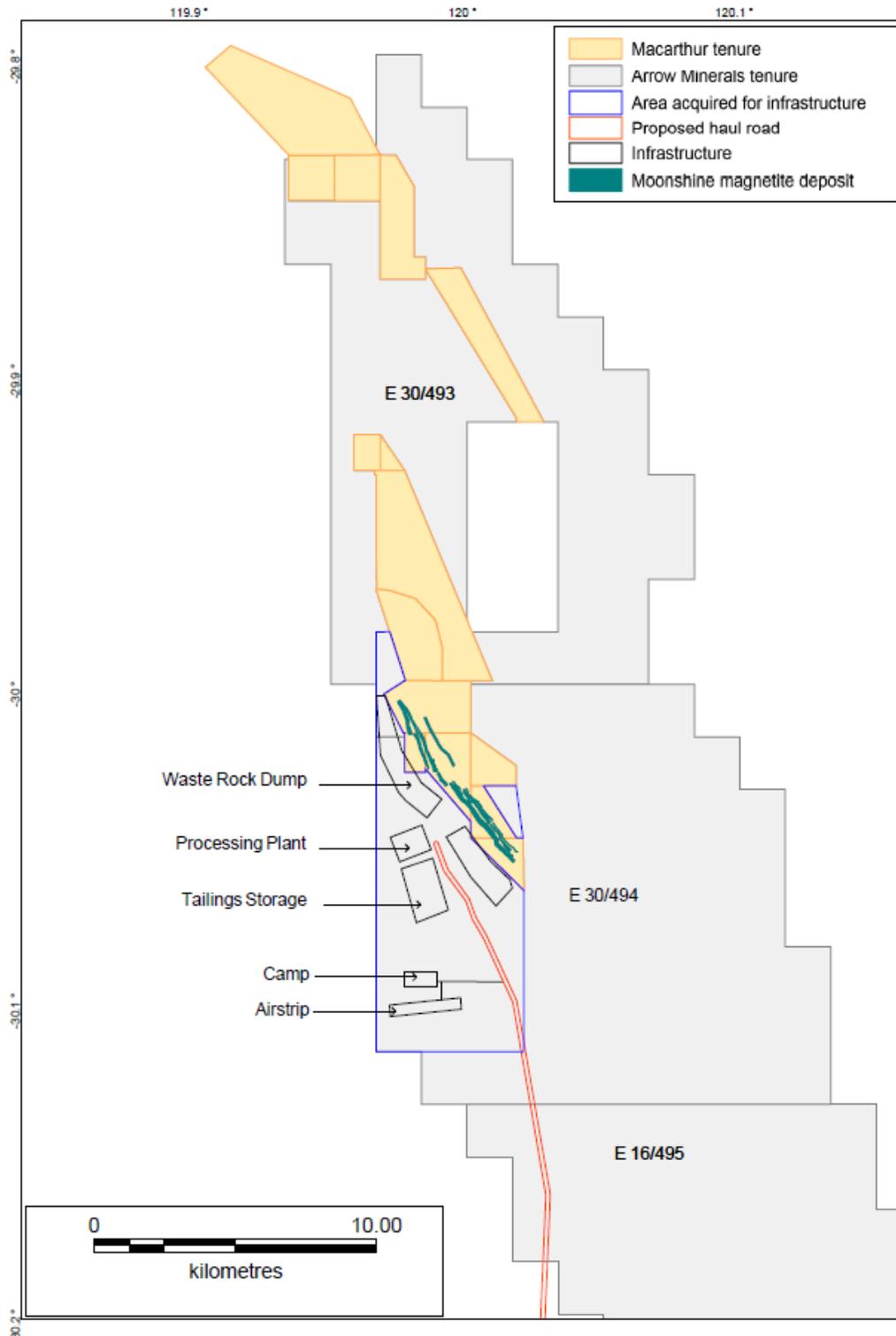


Figure 1. Macarthur tenure showing the Moonshine Magnetite deposit, proposed infrastructure and land acquired from Arrow.

ABOUT MACARTHUR MINERALS LIMITED (TSX-V: MMS, ASX: MIO)

Macarthur is an iron ore development, gold and lithium exploration company that is focused on bringing to production its Western Australia iron ore projects. The Lake Giles Iron Project mineral resources include the Ularring hematite resource (approved for development) comprising Indicated resources of 54.5 million tonnes at 47.2% Fe and Inferred resources of 26 million tonnes at 45.4% Fe; and the Moonshine magnetite resource of 710 million tonnes (Inferred). Macarthur has prominent (~1,281 square kilometer tenement area) gold, lithium and copper exploration interests in Pilbara region of Western Australia. In addition, Macarthur has lithium brine Claims in the emerging Railroad Valley region in Nevada, USA.

On behalf of the Board of Directors,
MACARTHUR MINERALS LIMITED

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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. All statements herein, other than statements of historical fact, that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future, including but limited to statements regarding: the proposed strategy regarding core mining, road and rail inputs at the Project; anticipated increases in annual production at the Project; anticipated decreases in Project costs; the possible reclassification of current inferred mineral resources on the Project as indicated mineral resources in the future; expected completion of the FS on the Project containing a new reserve calculation and a new economic assessment; the granting of a license for the Menzies rail siding; the status of the MRRT; and plans to secure mining approvals under the *Mining Act*, are forward-looking statements. 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 reliability of information 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 but are not limited to: unforeseen technology changes that results in a reduction in iron or magnetite demand or substitution by other metals or materials; the discovery of new large low cost deposits of iron magnetite; the general level of global economic activity; future changes in strategy regarding core mining, road and rail inputs with respect to the Project; final Project costs varying from those determined from the EOI program; failure to successfully negotiate a BOO arrangement for the Project; failure to complete the FS; failure of the FS to reflect currently anticipated increases annual production and decreases in expected costs at the Project; the results of infill drilling being insufficient to reclassify current inferred mineral resources on the Project as indicated mineral resources; failure to receive a license for the Menzies rail siding; failure to repeal the MRRT; and failure to obtain mining approvals under the *Mining Act*. 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.