

NOTICE OF EXTRAORDINARY GENERAL MEETING OCTOBER 31, 2019

MACARTHUR MINERALS LIMITED

ACN 103 011 436

Notice is hereby given that the Extraordinary General Meeting (the “**Meeting**”) of Macarthur Minerals Limited ACN 103 011 436 (the “**Company**”) will be held at Suite G03, 555 Coronation Drive, Toowong, Queensland, Australia on Thursday, October 31, 2019 commencing at 9:30 a.m. (Australian Eastern Standard Time).

AGENDA

SHARE CONSOLIDATION

To consider and, if thought fit, to pass the following **resolution**:

“The consolidation of the Company’s issued and outstanding share capital on the basis of one (1) post-consolidation share without par value for every four (4) pre-consolidation shares without par value.”

Accompanying this Notice of Meeting is the Management Information Circular and a proxy form. The accompanying Management Information Circular is incorporated into this Notice of Meeting and provides information relating to the matters to be addressed at the Meeting, and further particulars on voting instructions.

DATED this 30th day of September 2019

By Order of the Board

“Alan Joseph Phillips”

Alan Joseph Phillips
Executive Director and CEO

Notes:

- (a) The record date for determining shareholders entitled to receive this Notice of Meeting and Information Circular is 7:00 a.m. on Tuesday, October 1, 2019 (Australian Eastern Standard Time) or 5:00 p.m. (Eastern Daylight Time) or 2:00p.m (Pacific Daylight Time) on Monday, September 30, 2019 as (“**Notice Record Date**”). Shareholders who are registered on the Company’s register of members on the Notice Record Date or by 7:00 a.m. Wednesday, October 30, 2019 (Australian Eastern Standard Time) or 5:00 p.m. (Eastern Daylight Time) or 2:00p.m. (Pacific Daylight Time) on Tuesday, October 29, 2019 (“**Final Record Date**”) are entitled to attend and cast a vote at the Meeting. All registered shareholders who are unable to attend the Meeting in person are entitled to appoint a person to act as their proxy.
- (b) A registered shareholder that is a corporation must appoint a representative in accordance with section 250D of the *Corporations Act 2001 (C’th)* in which case the Company will require written proof of the representative’s appointment which must be lodged with or presented to the Company before the Meeting.
- (c) If you wish to appoint a proxy and are entitled to do so, then complete and return a proxy form in accordance with the directions set out in the attached Information Circular.
- (d) The proxy need not be a shareholder of the Company. A registered shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If two proxies are appointed by one shareholder neither of them will be entitled to vote on a show of hands at the Meeting.
- (e) Shareholders may beneficially own shares that are registered in the name of a nominee (such as a broker, another intermediary or an agent of that broker or intermediary) (“**Non-Registered Shareholders**”). Without specific instructions, nominees are prohibited from voting shares for their clients. If you are a Non-Registered Shareholder, it is vital that the voting instruction form provided to you, your nominee or

its agent, is returned according to the instructions provided in or with such form, sufficiently in advance of the deadline specified, to ensure that they are able to provide voting instructions on your behalf.

If you have any queries on how to cast your votes, then call Mr. Andrew Bruton on (07) 3221 1796 (Australia local) or +61 7 3221 1796 (internationally) during Australian business hours.

- (f) The Company's historical financial statements and reports, are available on SEDAR at www.sedar.com or on the Company's website at www.macarthurminerals.com.

IF YOU WOULD LIKE TO SUBSCRIBE TO
MACARTHUR MINERALS LIMITED
NEWS RELEASES, PLEASE VISIT
www.macarthurminerals.com

MANAGEMENT INFORMATION CIRCULAR

October 31, 2019

MACARTHUR MINERALS LIMITED
ACN 103 011 436
FOR THE EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS

This management information circular (“**Information Circular**”) is furnished to shareholders (“**Shareholders**”) of Macarthur Minerals Limited (“**Macarthur**” or the “**Company**”) in order to explain the resolution (the “**Resolution**”) to be put to Shareholders at the Extraordinary General Meeting of the Company (“**Meeting**”) to be held on Thursday, October 31, 2019 in Brisbane, Australia at 9:30 a.m. (Australian Eastern Standard Time) and at any adjournments thereof. The directors recommend that Shareholders read the accompanying Notice of Meeting and this Information Circular in full before making any decision in relation to the Resolution.

The contents and the sending of this Information Circular have been approved by the directors of the Company.

All dollar amounts are stated in Australian dollars unless specified otherwise. Information contained in this Information Circular is as at September 30, 2019 unless indicated otherwise.

Note that any reference in the Notice of Meeting or this Information Circular to “**Corporations Act**” means the *Corporations Act 2001* (C’th) and to the “**TSX-V**” means the TSX Venture Exchange.

VOTING ENTITLEMENTS

The directors of the Company have set 7:00 a.m. on Tuesday, October 1, 2019 (Australian Eastern Standard Time) or 5:00 p.m. (Eastern Daylight Time) or 2:00p.m (Pacific Daylight Time) on Monday, September 30, 2019 as the record date for determining Shareholders entitled to receive this Notice of Meeting and Information Circular and 7:00 a.m. Wednesday, October 30, 2019 (Australian Eastern Standard Time) or 5:00 p.m. (Eastern Daylight Time) or 2:00p.m. (Pacific Daylight Time) on Tuesday, October 29, 2019 as the record date for determining the Registered Shareholders of the Company entitled to vote at the Meeting (“**Registered Shareholders**”). Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

SOLICITATION OF PROXIES

This Information Circular is also furnished in connection with the solicitation of proxies by management (“**Management**”) for use at the Meeting. Any solicitation by Management will be conducted by mail or e-mail and may be supplemented by telephone or other personal contact to be made without special compensation by officers and employees of the Company and such cost of solicitation will be borne by the Company.

APPOINTMENT OF PROXY HOLDER – REGISTERED SHAREHOLDER

A Registered Shareholder is entitled to attend (whether in their own right, or as a corporate representative, or power of attorney) and vote at the Meeting, or may, by lodging a valid proxy form, appoint another person (who need not be a Shareholder of the Company), to attend the Meeting and represent the Shareholder (a “**Proxy Holder**”). A Registered Shareholder may appoint a Proxy Holder by inserting that person’s name on the proxy form. If no person is named in the proxy form, the Chairman of the Meeting (“**Chairman**”) will be appointed as that Shareholder’s Proxy Holder. A Shareholder who holds two or more shares can appoint a maximum of two Proxy Holders to vote their shares.

A Proxy Holder can be appointed by a Registered Shareholder (or its attorney or other person duly authorised) in writing which must be signed or otherwise be authenticated in a manner permitted by the Corporations Act and the Company’s Constitution. If a proxy form is signed or otherwise authenticated by an attorney or other person duly authorised, the power of attorney or authority under which the proxy was signed or otherwise authenticated (or a certified copy of that power of attorney or authority) must be delivered to the Company at an address and time as specified below.

A Proxy Holder’s appointment will not be valid unless the completed proxy form is delivered to an address set out below by **7:00 a.m. on Tuesday, October 29, 2019 (Australian Eastern Standard Time) or Monday, October 28, 2019 at 5:00 pm (Eastern Daylight Time) or 2:00 p.m. (Pacific Daylight Time)** or not less than 48 hours before the time for holding the Meeting or any adjournment of the Meeting (“**Proxy Cut-off Time**”). Proxy forms delivered after that time will not be accepted.

A proxy form is included with this Information Circular and completed forms can be submitted to Computershare, the Company's transfer agent, as follows:

- **by post and/or hand deliver to:** Computershare Investor Services Inc., 100 University Avenue, 8th 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

Proxy forms may also be delivered to the Company's registered office in Australia at Suite G03, 555 Coronation Drive, Toowong, Queensland, Australia, posted to the Company at P.O. Box 1148, Milton, Queensland, 4064, Australia or by facsimile to the Company on 07 3221 6152 or +617 3221 6152 (if sent from overseas).

VOTING BY PROXY

Direction on how to vote

If you wish to direct the Proxy Holder how to vote, ***please place a mark in the appropriate boxes that appear on the proxy form.***

The shares represented by a properly executed proxy form, where the Chairman is the Proxy Holder will:

- where a choice with respect to any matter to be acted upon has been specified in the proxy form or on any ballot or poll that may be taken, be voted in accordance with the specification made in such proxy form; and
- **On a show of hands or a poll, such shares will be voted in favour of each matter for which no choice has been specified, or where both choices have been specified by the Shareholder.**

No Direction on how to vote - General

If no person is named in the proxy form, the Chairman of the Meeting ("**Chairman**") will be appointed as that Shareholder's Proxy Holder. If you do **not** direct your Proxy Holder how to vote in respect of the Resolution, the Proxy Holder may cast your vote as the Proxy Holder thinks fit or may abstain from voting. By signing an undirected appointment you acknowledge that, subject to the Corporations Act, the Proxy Holder may exercise your vote even if he/she has an interest in the outcome of the Resolution and even if votes cast by him/her other than as Proxy Holder will be disregarded because of that interest.

The enclosed proxy form, when properly completed, delivered and not revoked, confers discretionary authority upon the Proxy Holder thereunder to vote with respect to amendments or variations of matters identified in the Notice of Meeting, and with respect to other matters which may properly come before the Meeting. In the event that amendments or variations to matters identified in the Notice of Meeting are properly brought before the Meeting or any further or other business is properly brought before the Meeting, it is the intention of the Chairman to vote in accordance with his best judgment on such matters or business. At the time of the printing of this Information Circular, Management of the Company knows of no such amendment, variation or other matter which may be presented to the Meeting.

NON-REGISTERED HOLDERS

Only Registered Shareholders or duly appointed Proxy Holders are permitted to vote at the Meeting. Most North American Shareholders of the Company are Non-Registered Shareholders because the shares they own are not registered in their names but instead registered in the name of a nominee such as a brokerage firm through which they purchased the shares; bank, trust company, trustee or administrator of self-administered RRSPs, RRIAs, RESPs and similar plans; or clearing agency such as CDS Clearing and Depository Services Inc. (a "Nominee"). If you purchased your shares through a broker, you are likely to be a Non-Registered Shareholder.

Shares held by Nominees can only be voted (for or against resolutions) at the direction of the Non-Registered Shareholder. Without specific instructions, Nominees are prohibited from voting shares for Non-Registered Shareholders. Therefore, each Non-Registered Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Proxy Cut-off Time.

Existing regulatory policy requires Nominees to seek voting instructions from Non-Registered Shareholders in advance of Shareholders' meetings. The various Nominees have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Non-Registered Shareholders in order to ensure that their shares are voted at the Meeting. Often the proxy form supplied to a Non-Registered Shareholder by its broker is identical to the proxy form provided by the Company to the Registered Shareholders. However, its purpose is limited to instructing the Registered Shareholder (i.e. the broker or agent

of the broker) how to vote on behalf of the Non-Registered Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("Broadridge") in Canada and the United States. Broadridge typically prepares a machine-readable voting instruction form, mails those forms to the Non-Registered Shareholders and asks Non-Registered Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the internet or telephone, for example). The Company may also use Broadridge's Quickvote™ service to take votes over the telephone from eligible Non-Registered Shareholders. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting.

There are two kind of Non-Registered Shareholders those who object to their name being made known to the issuers of securities which they own called OBOs, Objecting Beneficial Owners and those who do not object to the issuers of the securities they own knowing who they are called NOBOs, Non-Objecting Beneficial Owners.

Although Non-Registered Shareholders may not be recognized directly at the Meeting for the purposes of voting shares registered in the name of their Nominee, a Non-Registered Shareholder may attend the Meeting as Proxy Holder for their Non-Registered shareholding and vote the shares in that capacity only in a poll. **Non-Registered Shareholders who wish to attend the Meeting and indirectly vote their shares only on a poll as proxy holder for their Non-Registered shareholding should enter their own names in the blank space on the voting instruction form provided to them and return the same to their Nominee (or the Nominee's agent) in accordance with the instructions provided by such Nominee.**

All references to Shareholders in this Information Circular and the accompanying form of proxy and Notice of Meeting are to Registered Shareholders and Non-Registered Shareholders as at the record date unless specifically stated otherwise.

REVOCABILITY OF PROXY

A Registered Shareholder who has submitted a proxy form may revoke it at any time in writing signed by the Registered Shareholder or by the Registered Shareholder's attorney or, where the Registered Shareholder is a corporation, by a duly authorized officer or attorney of the corporation, and received by the Company:

- In **Canada**: at any time up to **5:00 p.m. Monday, October 28, 2019 (Eastern Daylight Time)** by hand or by post to Computershare Investor Services Inc., 100 University Avenue, 8th Floor Toronto, ON, M5J 2Y1, Canada, or facsimile to 1-866-249-775 (Toll Free North America); +1-416-263-9524 (International) or via email on service@computershare.com;
- In **Australia**: at any time up to **5:00 p.m. (Australian Eastern Standard Time) on the last business day preceding the day of the Meeting** (or if adjourned, any reconvening thereof) to the head office of the Company, at Suite G03, 555 Coronation Drive, Toowong, Queensland, Australia, or posted to P.O. Box 1148, Milton, Queensland, 4064, Australia, facsimile to 07 3221 6152 or +617 3221 6152 (if sent from overseas) or via email on communications@macarthurminerals.com; **or**
- to the Chairman on the day of the Meeting (or if adjourned, any reconvening thereof); or in any other manner provided by law.

A revocation of a proxy form does not affect any matter on which a vote has been taken prior to the revocation. Only Registered Shareholder have the right to revoke a proxy form. Non-Registered Shareholders who wish to change their vote must in sufficient time in advance of the Meeting, arrange for the respective Nominee to revoke their proxy form on their behalf.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as set out herein:

- (a) no person who has been a director or executive officer of the Company at any time since the beginning of the Company's last financial year;
- (b) no proposed nominee of Management of the Company for election as a director of the Company; and
- (c) no associate or affiliate of the foregoing persons,

has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in any matter to be acted upon at the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company is authorized to issue an unlimited number of ordinary (common) shares without par value of which 322,033,625 common shares were issued and outstanding on September 30, 2019. The holders of common shares are entitled to one vote for each common share held.

To the knowledge of the directors and executive officers of the Company, at the date of this Information Circular, no disclosed person beneficially owns, directly or indirectly, or exercises control or direction over shares carrying more than 10% of the voting rights attached to all shares of the Company.

PARTICULARS OF MATTERS TO BE ACTED UPON

CONSOLIDATION OF SHARES

The Company has an authorized capital consisting of an unlimited number of Shares without par value of which 322,033,625 common shares are currently issued and outstanding. This large number of issued and outstanding Shares acts as a damper on the Company's stock price and could restrict the ability of the Company to raise equity in the future to fund its business activities, particularly if the Company looks for new business acquisitions and funding for the exploration and development of its Lake Giles Iron Ore Project. Accordingly, the Company is proposing to consolidate its issued and outstanding Shares on a one post-consolidation Share for every four pre-consolidation common shares (1:4) basis (the "Share Consolidation"), subject to TSX-V acceptance and approval of Shareholders by way of resolution. Management believes that the benefits of the Consolidation include, among other things, that the anticipated higher share price resulting from the Consolidation may meet investing guidelines for certain institutional investors and investment funds that are prevented under such guidelines from investing in the Shares at current price levels. Also, a smaller number of common shares trading at a higher price makes the Company more attractive to potential investors and could further enhance the value of the common shares held by current Shareholders. The name of the Company will not be changed in conjunction with the Consolidation.

Reasons for Consolidation

The Board of Directors of the Company (the "Board") believes it is in the best interests of the Company to reduce the number of outstanding Shares by way of the Consolidation and that the Consolidation will improve the Company's ability to raise equity in the future to fund its business activities.

The expected benefits of the Consolidation include:

- *Dual Listing on the ASX:* The Company has sought and obtained indicative approval for a possible listing on the ASX in 2019. In order to facilitate a possible listing, it will be necessary to undertake the share consolidation to meet the ASX listing requirements.
- *Anticipated higher share price of the Shares:* The Consolidation is expected to result in the trading price of the Shares increasing to reflect the consolidation ratio. A higher price per share would place Macarthur's Shares at a level that is more typical of shares of other widely owned publicly traded companies
- *Increased investor interest:* A higher post-Consolidation price of the Shares could increase investor interest in the Company. Improved Share prices may qualify the Shares for certain institutional investors and investment funds that otherwise may be prevented under their investing mandates or guidelines from investing in Macarthur's Shares at the current price. Also, a smaller number of Shares trading at a higher price may make the Company more attractive to other new investors and could further enhance the value of the Shares held by current Shareholders.
- *Reduction of Shareholder transaction costs:* The Company's Shareholders may benefit from the relatively lower trading costs associated with the anticipated higher price per Share. It is likely that many investors pay commissions based on the number of Shares traded when they buy or sell the Shares. If the price per Share were higher, investors may pay lower commissions to trade a fixed dollar amount than they would if the price per Share is lower.
- *Improved trading liquidity:* The potentially lower transaction costs and a higher trading price of the Shares could ultimately improve the trading liquidity of the Shares.
- *Increased probability of successful future financing:* The higher anticipated trading price and improved liquidity of the post-Consolidation Shares may allow the Company to raise much needed new capital through the sale of additional Shares which would not be possible in the absence of the Consolidation.

Effect of the Consolidation

The proposed Consolidation will not change in any way any Shareholder's proportion of votes to total votes; however, if the resolution is passed, the total number of votes that a shareholder may cast at any future general meeting of the Company will be reduced. Any resulting fractional Share will be rounded to the nearest whole number.

The number of common shares reserved for issuance under the Company's stock option plan will be reduced proportionately based on the Consolidation ratio and the exercise or conversion price and/or the number of common shares of the Company issuable under the Company's outstanding stock options will be proportionately adjusted upon the Consolidation with any fractional Shares rounded to the nearest whole number.

The number of common shares underlying the issued and outstanding warrants of the Company and the exercise price thereof will be adjusted in accordance with the applicable warrant certificate and indenture.

The conversion price of the Company's issued and outstanding Convertible Notes will also be adjusted in accordance with the applicable Investment Agreement.

Risk Associated with the Consolidation

There can be no assurance that the market price of the post-Consolidated common shares will increase as a result of the Consolidation. The marketability and trading liquidity of the post-Consolidation common shares may not improve. The Consolidation may result in some Shareholders owning "odd lots" of less than 100 common shares which may be more difficult for such Shareholders to sell or which may require greater transaction costs per Share to sell.

Non-Registered Shareholders

Non-Registered Shareholders holding their Shares through an Intermediary should note that Intermediaries may have different procedures for processing the Consolidation than those that will be put in place by the Company for registered Shareholders. If you hold your Shares with an Intermediary and you have questions in this regard, you are encouraged to contact your Intermediary.

Effect on Share Certificates

If the Consolidation is approved by Shareholders and implemented, registered Shareholders will be required to exchange their share certificates representing pre-consolidated common shares for new share certificates representing post-consolidation common shares. Following the announcement by the Company of the effective date of the Consolidation, registered Shareholders will be sent a letter of transmittal from the Company's transfer agent, Computershare Investor Services Inc., ("Computershare"), as soon as practicable after the effective date of the Consolidation. The letter of transmittal will contain instructions on how to surrender certificate(s) representing pre-consolidated common shares to Computershare. Computershare will forward to each registered Shareholder who has sent the required documents a new share certificate representing the number of post-consolidated common shares to which the Shareholder is entitled.

Resolution to approve the Share Consolidation

"RESOLVED, as a Resolution that, subject to the acceptance by the TSX Venture Exchange, The consolidation of the Company's issued and outstanding share capital on the basis of one (1) post-consolidation share without par value for every four (4) pre-consolidation shares without par value".

Directors' Recommendation

The directors recommend that Shareholders vote in favour of the Share Consolidation.

The Chairman of the Meeting intends to vote in favour of the respective resolution where there are no directions indicated on the proxy form.

OTHER MATTERS

Management of the Company is not aware of any other matter to come before the Meeting other than as set forth in the Notice of Meeting. If any other matter properly comes before the Meeting in accordance with the

Corporations Act, it is the intention of the Chairman to vote the shares represented by any proxies issued in the Chairman's favour in accordance with his best judgment on such matter.

ADDITIONAL INFORMATION

Additional information relating to the Company is on SEDAR at www.sedar.com or on the Company website, www.macarthurminerals.com. Shareholders may contact the Company to request copies of the Company's financial statements and Management Discussion & Analysis ("MD&A") via telephone on (07) 3221 1796 or international telephone +61 7 3221 1796 during Australian business hours, by facsimile to the Company on (07) 3221 6152 or +617 3221 6152 (if from overseas), email: communications@macarthurminerals.com or at Suite G03, 555 Coronation Drive, Toowong, Queensland 4066, Australia.

Financial information is provided in the Company's comparative financial statements and MD&A for its most recently completed financial year, both of which are filed on SEDAR.

DATED this 30th day of September 2019

**BY ORDER OF THE BOARD OF DIRECTORS
OF MACARTHUR MINERALS LIMITED**

"Alan Joseph Phillips"

Alan Joseph Phillips
Executive Director and CEO