

4 March 2021

## Macarthur Minerals Announces Spin-Out of its Pilbara Gold Copper Tenements to Timeless Capital

**Macarthur Minerals Limited (TSX-V: MMS) (ASX: MIO) (OTCQB: MMSDF)** (“Macarthur”) and **Timeless Capital Corp. (TSX-V: TLC.P)** (“Timeless”) are pleased to announce that they have entered into a letter of intent in respect of a proposed transaction (the “Transaction”), whereby Timeless shall acquire: (i) from Macarthur, through its wholly owned subsidiary, Macarthur Lithium Pty Ltd (“MLi”), a portfolio of Macarthur’s Pilbara, Western Australia tenements (“Pilbara Assets”) plus CAD\$1.4 million in cash which Macarthur may choose to fund from the value derived from Macarthur’s shareholding in FE Limited (collectively, the “Macarthur Contribution”), and (ii) from Zanil Pty Ltd. (“Zanil”), an Australian company, a portfolio of gold copper tenements, located near Leonora in Western Australia (“Central Goldfield Assets”), in exchange for equity of Timeless (collectively, the “Transaction”) which assets were optioned by Macarthur to undertake due diligence under the recently announced agreement with Zanil, (see announcement [here](#)).

Macarthur continues to primarily focus its resources on bringing its flagship Lake Giles Iron Project into production. The Timeless Transaction will allow value to be attributed to the non-iron Pilbara assets held by Macarthur, providing an opportunity to independently resource the exploration of the key areas without distracting time and resources away from the Lake Giles Iron Project development path. Following completion of the transaction, Macarthur will have a material shareholding in Timeless.

Timeless is a Canadian capital pool company listed on the TSX Venture Exchange (the “TSXV”). It is anticipated that the Transaction will be a reverse take-over and constitute Timeless’ “Qualifying Transaction” pursuant to Policy 2.4 of the TSXV policies and that following the completion of the Transaction, the common shares of Timeless (the “Timeless Shares”) will resume trading on the TSXV.

The Macarthur Contribution and the Central Goldfield Assets collectively form all of the assets and the business of the resulting entity (the “Resulting Issuer”). It is anticipated that following completion of the Transaction:

- Macarthur will hold approximately 26.67% (11,428,571) of the outstanding Timeless Shares, issued in consideration of the Macarthur Contribution;
- Zanil will hold approximately 26.67% (11,428,571) of the outstanding Timeless Shares, issued in consideration for the Central Goldfield Assets; and
- the current Timeless shareholders will hold approximately 9.68% of the outstanding Timeless Shares.

### Summary of the Transaction

#### *Transaction Structure*

The letter of intent provides that MLi and Zanil (collectively, the “Vendors”) and Timeless, as purchaser, shall negotiate and enter into a definitive agreement in respect of the Transaction on or before March 31, 2021 (the “Definitive Agreement”). It is currently contemplated that the Transaction will result in the Macarthur Contribution and the Central Goldfield Assets being transferred to a newly formed Australian company, which company shall then complete a three-corner amalgamation, or such alternative structure which will be finally determined, having regard to relevant tax, securities and other factors, with Timeless to form the Resulting Issuer. The Transaction will result in the security holders of Macarthur and Zanil receiving Timeless Shares, in the anticipated percentages set forth below under “Capital Structure”.

Prior to the completion of the Transaction, Timeless will consolidate the Timeless Shares on the basis of 1 new Timeless Share for each 1.75 old Timeless Shares, or such other ratio as may be agreed to by the parties to give effect to the Capital Structure referred to above (the “Consolidation”). It is anticipated that the Resulting Issuer will change its name in due course to reflect the focus of its business (the “Name Change”).

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Certain common shares of the Resulting Issuer to be issued pursuant to the Transaction are expected to be subject to restrictions on resale or escrow under the policies of the TSXV, including the securities to be issued to “Principals” (as defined under TSXV policies).

The Transaction is subject to, among other things: (i) the negotiation and execution of the Definitive Agreement, (ii) the absence of material adverse events affecting Timeless and the Vendors, (iii) the establishment of an Australian, wholly owned subsidiary, of Timeless (“Australian Subco”) into which the Pilbara Assets and the Central Goldfields Assets will be vended, (iv) receipt by each of the Vendors and Timeless of all necessary board, shareholder and regulatory approvals, including in respect of the Consolidation, the Name Change, the listing of the Timeless Shares on the TSXV and the transfer of the Pilbara Assets and Central Goldfield Assets, (v) Timeless having taken all necessary action to cause the board of directors and officers of Timeless to be comprised of the Vendor’s nominees, (vi) the completion of the Concurrent Financing (see below), (vii) the completion of the Consolidation and Name Change, (viii) the delivery by Macarthur of a National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* compliant technical report on all material properties as determined by the TSXV, which reports are acceptable to the TSXV, and (ix) receipt of all necessary regulator or third party consents, approvals and authorizations as may be required in respect of the Transaction or the listing of the Timeless Shares on the TSXV; and (x) the approval of the TSXV of the Transaction as Timeless’ “qualifying transaction” and the listing and trading of the Timeless Shares on the TSXV following the completion of the Transaction.

#### *Concurrent Financing*

In connection with the Transaction, the Vendors shall complete a concurrent arm’s length financing for anticipated gross proceeds of a minimum of CAD\$5 million (the “Concurrent Financing”). It is currently anticipated that the Concurrent Financing will result in the issuance of up to 14,285,714 shares at a price of CAD\$0.35 per share. The Concurrent Financing will be comprised of a non-brokered portion, in the amount of CAD\$2.5 million, comprised of lead orders from arm’s length parties introduced by the Vendors, and a brokered portion in the amount of CAD\$2.5 million. All securities issued in connection with the Concurrent Financing will be exchanged for Timeless Shares pursuant to the Transaction. The proceeds of the Concurrent Financing will be used primarily for the purposes of supporting a targeted exploration programme of works across on the Pilbara Assets and the Central Goldfields Assets.

#### **Capital Structure**

There are currently 7,000,000 Timeless Shares issued and outstanding and options to acquire 266,666 Timeless Shares at an exercise price of CAD\$0.10 per Timeless Share. Following the Consolidation there will be 4,000,000 Timeless Shares issued and outstanding and options to acquire 152,380 Timeless Shares at an exercise price of CAD\$0.175 per Timeless Share.

The following table outlines the proposed post-Transaction shareholdings of the Resulting Issuer, assuming that the purchase price per share under the Concurrent Financing is CAD\$0.35 per share and that the Vendor shares are exchange on the basis of 1 for 1 for Timeless Shares.

<b>Equity Holders</b>	<b>Number</b>	<b>% total Equity</b>	<b>Value on Issue C\$</b>
Existing Timeless Shareholders	4,000,000	9.68%	1,400,000
Zanil securityholders	11,428,571	27.67%	4,000,000
Macarthur securityholders	11,428,571	27.67%	4,000,000
Concurrent Financing	14,285,714	34.58%	5,000,000
Holders of Existing Timeless Stock Options	152,380	0.4%	26,666.50
<b>Post-Transaction Shares on a Fully Diluted Basis</b>	<b>41,259,236</b>	<b>100%</b>	<b>14,426,666</b>



## Background of the Vendors

The key tenement Vendors are MLI and Zanil. Both are Australian Proprietary companies. MLI is a wholly owned subsidiary of Macarthur Minerals Limited and will contribute the Macarthur Contribution to the Resulting Issuer pursuant to the Transaction, including the Pilbara Assets as set out in Table 1. Zanil will contribute the Central Goldfield Assets to the Resulting Issuer pursuant to the Transaction, as set out in Table 2.

Table 1: Macarthur Lithium Pty Ltd Pilbara tenements

Tenement	Project	Holder	Blocks
E45/4685	MARBLE BAR	Macarthur Minerals	11
E45/4708	PANORAMA	Macarthur Minerals	27
E45/4709	PANORAMA	Macarthur Minerals	22
E45/4732	PANORAMA	Macarthur Minerals	43
E45/4764	MARBLE BAR	Macarthur Minerals	4
E45/4779	PANORAMA	Macarthur Minerals	33
E45/4824	PANORAMA	Macarthur Minerals	65
E45/4848	TAMBOURAH	Macarthur Minerals	1
E45/5324	HILLSIDE	Macarthur Minerals	4
E46/1210	NOREENA DOWNS	Macarthur Minerals	14

Table 2: Zanil Pty Ltd Central Goldfields tenements

Tenement	Project	Holder	Area (Ha)
P37/8376	Victor Bore	Alec Pointon	180
P37/8325	Camel	Zanil Pty Ltd	191
M37/983	Chicago	Zanil Pty Ltd	38
P37/8278	Barlow's Gully	Alec Pointon	200
P37/8310	Great Northern Workings	Zanil Pty Ltd	134
P37/8173	Victor Bore	Alec Pointon	15.3715
M37/1349*	Victor Bore	Alec Pointon	15.3715
P37/8468	Garden Well	Zanil Pty Ltd	138
P37/8571	Specking Patch	Alec Pointon	108.69
P37/9162	Coppermine	Zanil Pty Ltd	111

\* Conversion of P37/8173

### Joe Phillips, Managing Director of Macarthur Minerals, commented:

*"This Transaction will allow value to be attributed to the non-iron Pilbara assets held by Macarthur. It now provides an opportunity to independently resource the exploration of the key areas without distracting time and resources away from Macarthur's flagship Lake Giles Iron Project development.*

*Further, this Transaction allows for the benefits of exploration and potential development to flow to Macarthur and its shareholders, especially given the historic exploration undertaken on these gold, copper and lithium tenements."*



**Joe Groot, Managing Director of Zanil Pty Ltd commented:**

*"The tenements we have accumulated over a decade have been acquired for their historical background. Our private prospecting activities over the past several years have identified alluvial gold across these leases and this merger brings into being the chance to further develop them, as a number of leases have had no modern geological investigation and are in the highly prolific Leonora area."*

**Blair Jordan, Director of Timeless, commented:**

*"On behalf of all the stakeholders of Timeless, we are excited to be moving forward with the Transaction with Zanil and Macarthur. The Transaction will give Timeless stakeholders exposure to a highly prospective gold region in Australia, and the Resulting Issuer will have an experienced and capable management team put in place to move these claims forward."*

**Additional Information**

Additional information concerning the Transaction, Timeless, the Vendors and the Resulting Issuer, including in respect of the board and proposed management of the Resulting Issuer, will be provided in subsequent news releases and in any Filing Statement or Information Circular to be filed in connection with the Transaction, which will be available under Timeless' and Macarthur's SEDAR profiles at [www.sedar.com](http://www.sedar.com).

Upon closing of the Transaction, the Resulting Issuer expects to list as a Tier 1 Mining Issuer on the TSXV.

The Transaction will not constitute a "Non-Arm's Length Qualifying Transaction" (as such term is defined in the policies of the TSXV). Accordingly, it is not anticipated that the Transaction will be subject to the approval of Timeless shareholders.

In accordance with the policies of the TSXV, Timeless Shares are currently halted from trading and will remain so until such time as the TSXV determines, which, depending on the policies of the TSXV, may not occur until completion of the Transaction.

None of the securities to be issued pursuant to the Transaction have been or will be registered under the United States Securities Act of 1933, as amended, or any state securities laws, and any securities issued pursuant to the Transaction are anticipated to be issued in reliance upon available exemptions from such registration requirements. This press release does not constitute an offer to sell or the solicitation of an offer to buy any securities.

**On behalf of the Board of Directors, Mr Cameron McCall, Chairman**

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**Company profile**

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 Lake Giles magnetite resource of 53.9 million tonnes (Measured), 218.7 million tonnes (Indicated) and 997 million tonnes (Inferred). Macarthur has prominent (~721 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.



For further information on Timeless:

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#### About Timeless

Timeless is a capital pool company formed under the Exchange capital pool company program.

Timeless currently has issued and outstanding 7,000,000 Timeless Shares and 266,666 incentive stock options to acquire 266,666 Timeless Shares at a price of \$0.10 per share.

**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 Exchange) accepts responsibility for the adequacy or accuracy of this release.**

Completion of the Transaction is subject to a number of conditions, including but not limited to, TSXV acceptance and obtaining all required shareholder approvals. There can be no assurance that the Transaction will be completed as proposed or at all.

Timeless investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

The TSXV has in no way passed upon the merits of the Transaction and has neither approved nor disapproved the contents of this press release.

All information contained in this news release with respect to Timeless, the Vendors, and the Resulting Issuer was supplied by the parties, respectively, for inclusion herein, and each party and its directors and officers have relied on the other parties for any information concerning such party.

#### 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 Timeless and Macarthur (collectively, the "Company") believes, expects or anticipates will or may occur in the future, including but not limited to statements regarding the timing and completion of the Transaction and Concurrent Financing, the structure of the Transaction, the pricing and size of the Concurrent Financing and the future operations of Timeless, the Vendors and the Resulting Issuer and other similar statements 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. 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: failure to complete the Transaction or the Concurrent Financing on the terms described herein or at all, failure to obtain shareholder, regulatory or third parties approvals required for the Transaction, failure to obtain the approval of the TSXV of the Transaction or the listing of the shares of the Resulting Issuer or failure to achieve the anticipated benefits of the Transaction. 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.