

27 October 2021

Chairman's Address for 2021 Annual General Meeting

Macarthur Minerals Limited (ASX: MIO) (TSX-V: MMS) (OTCQB: MMSDF) (the Company or Macarthur) is holding its 2021 Annual General Meeting today.

Attached is a copy of the Chairman's address.

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). The JORC reporting tables and Competent Person statement for the magnetite and hematite mineral resources have previously been disclosed in ASX market announcements dated 12 August 2020 and 5 December 2019. Macarthur has prominent (~721 square kilometre 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.

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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 not limited to statements regarding expected completion of the Feasibility Study; conversion of Mineral Resources to Mineral Reserves or the eventual mining of the Project, 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: 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; failure to complete the FS; inability to demonstrate economic viability of Mineral Resources; and failure to obtain mining approvals. 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.

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CHAIRMAN'S ADDRESS

1. Welcome

Good morning Ladies and Gentlemen.

I have pleasure in welcoming you to the Macarthur Minerals Limited 2021 Annual General Meeting.

My name is Cameron McCall, Chairman of Macarthur Minerals Limited, and I preside as the Chairperson of today's meeting in accordance with the constitution.

For the second year in a row, I am disappointed that current circumstances have dictated that we need to hold this meeting as a hybrid virtual meeting and that we will not have the subsequent informal discussion between directors and shareholders which we, and you enjoy. It is my hope that we can return to normality next year and in the meantime, we will continue to make the best of our current circumstances.

2. Format of Meeting

In a moment, I will make some remarks about the results of the last 12 months and about other matters. We will then attend to the formal business of the meeting.

But before I do that, there are several matters that I would like to mention with regard to the format of this year's meeting which will be different from previous years, but similar to the format that we adopted last year during the Covid-19 pandemic.

Every effort has been made to ensure that today's meeting runs as smoothly as possible. Having said that, if you encounter any technical issues which preclude you from attending the meeting live, a transcript of my Chairman's address will be made available on the Company's website after the meeting.

As set out in the Company's Notice of Annual General Meeting, due to the uncertainty and potential health risks posed by the COVID-19 pandemic, shareholders have been encouraged NOT to attend the meeting in person. Today's meeting is being operated via a live webcast which allows Shareholders to attend via the online platform an opportunity to participate by viewing the proceedings and asking questions.

Pre-submitted Questions

Shareholders have been asked to register their attendance for the meeting and to submit questions in advance wherever possible. However, we have not received any advance questions from shareholders.

Online Verbal Questions

Whilst we have not received written questions in advance, any shareholder or proxy or attorney that wishes to ask a question at this meeting via the online platform, to ensure that you are able to ask a question verbally when questions are opened during the conduct of the main business of the meeting, please pre-register your request to speak online via the ["Chat"] function on the lower section of your screen, type the words "VERBAL QUESTION" in capital letters, followed by your name and the specific item of business that you wish to ask a question on. Once you have completed this, please then click the "return" key to submit it. When your request has been lodged our online moderators and our Company Secretary will be able to direct me to receive your question so that it can be

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answered. If you wish to participate in this way, then it is important that you do this early so that your question is not missed. And of course, when you are asked to speak, please make sure that you are not on “mute”.

Online Written Questions During Meeting

If you are a shareholder or proxy, or an attorney or representative of a shareholder and wish to ask a question in writing about an item of business in writing during the course of the meeting, then please click on the [“Chat”] function on the lower section of your screen, type your question and then click the “return” key to submit it once you have typed your question. If you have a question already prepared, then please identify the relevant agenda item upfront when you type your question (so that it is clear) and submit it as early as possible on the online platform to enable me to respond to it when I come to the relevant agenda item. You do not need to wait for the relevant item of business to do so. If you elect to do so, then I would like to ask you to keep your questions brief (and on point with regard to the relevant item of business) so that we can respond to pertinent questions as they arise.

Questions sent via the online meeting platform will be moderated to avoid repetition and if questions are particularly lengthy or require more time for detailed consideration and response, then we may need to summarise them in the interests of time. Where we receive a number on a similar topic, I will endeavour to respond as best as we can in the context of the subject matter.

To assist with the smooth running of the meeting, Mima Wirakara, our Company Secretary, will read out the name of the shareholder and their question. We will give all shareholders present a reasonable opportunity to ask questions, but it is possible that not all questions will be able to be answered today.

3. Open of Meeting

It is now the appointed time for the Meeting and the quorum is present. I formally declare the Meeting open.

I would like to start the meeting by acknowledging the traditional owners of the land on which I am chairing this meeting from today, the **Jagera** people, and pay our respects to their elders past, present and emerging. Some shareholders are listening in and are doing so from other ancestral lands. I also pay my respects to the traditional owners of those lands and their elders past, present and emerging.

4. Introductions

I would now like to introduce my fellow Directors who are joining us today, either in person or via the online platform. They are:

- Joe Phillips (Managing Director);
- Andrew Suckling (Non-Executive Director, who is joining us from New York);
- Alan Phillips (Non-Executive Director); and
- Daniel Lanskey (Non-Executive Director, who is joining us from Sydney).

Also attending this meeting today are:

- Andrew Bruton (Chief Executive Officer);
- Ian McCall (Chief Financial Officer via the online platform); and
- Mima Wirakara (Company Secretary),

as well as other members of the Macarthur Minerals Management Team.

Macarthur’s current external Auditors, Nexia are also attending this meeting via the online platform. Nexia Brisbane Director Gavin Ruddell is available to answer any relevant questions pertaining to audit matters that you may wish to ask later in the meeting and I thank him for attending today.



There are a number of people and organisations who have assisted us with today's meeting:

- I would like to acknowledge and thank both Computershare (particularly David Maffescioni and his team Theodore Godfrey and Jessie Yerma and our Australian investor relations consultants, Advisir (including Sarah Lenard, Alex Bunney, Jag Sanger and the whole Advisir team), for their assistance with the set-up and conduct of today's AGM;
- And of course, I would also like to thank Mr Neil Simon from Investor Cubed for his continued invaluable assistance on investor relations from the Canadian side.

Finally, to all of our valued shareholders who are joining us online from here in Australia, and in Canada, North America, Europe and South East Asia – welcome, and thank you for your attendance and interest in today's meeting.

5. The Year in Review

Like 2020, there is no doubt that 2021 has been an extraordinarily challenging year. The continuing impacts from Covid have certainly been felt across the globe. Yet despite the overlay of these very challenging global conditions which are upon us all, over the last 12 months Macarthur has been continuing the march towards its objectives of bringing its iron ore assets into production.

I am particularly proud of the way that the entire Macarthur team has responded during the COVID-19 pandemic, seamlessly adopting new ways of working remotely and continuing to achieve all of the critical milestones set by the Company late last year.

Your Company has had a very active twelve months, as we continue our exciting journey to become one of Australia's next big iron ore producers.

I would like to take the opportunity to recount some highlights from this period.

- **December 2020:**
 - December 2020 saw the elevation of Andrew Bruton to Chief Executive Officer of the Company. This was a transition in the planning from the time that Andrew started with Macarthur just over 24 months ago. As Andrew gets close to completing his first full year in the CEO chair, he has been instrumental in driving the completion of the Definitive Feasibility Study for our high-grade magnetite Lake Giles Iron Project together with the rest of the Macarthur Management team. He has been instrumental in delivering many of the important commercial goals of the Company which I will mention shortly. Andrew's appointment to the CEO role really defines the next phase that the Company is embarking upon and the specific skill set and acumen that he brings to the role will be critical for the Company over the next few years.
 - December also saw the appointment of Mima Wirakara to the role of Company Secretary. Mima has been with the Company for approximately 3 years and was Assistant Company Secretary prior to December 2020. She has been instrumental in the Company's successful 2019 ASX listing and is also helping to achieve a successful spin-out of the Company's non-iron ore assets into Infinity Mining later this year.
 - At that time, Joe Phillips assumed the role of Managing Director, focusing on North American and Australian capital markets and Joe has been actively involved in positioning the Company's non-iron ore assets for the spin-out into Infinity, where we aim to retain a material value position for Macarthur shareholders through the aggregation of additional gold tenements and a clear funding



and development programme for those assets. Joe has been instrumental in that strategy, and I really commend his hard work and the strategic lense that he has brought to the Infinity deal. Moving through a new exchange listing can't occur without a lot of hard work, and I truly believe that it will be worth all of the effort that has been put in to date.

- **February 2021:**

- In February 2021 Macarthur signed a Memorandum of Understanding with Southern Ports Authority. The MOU provides a pathway for agreeing a potential access and operating solution for the export of Macarthur's high grade magnetite iron ore product via the Port of Esperance.
- In February, the Company entered into an exclusive agreement with Zanil Pty Ltd to undertake due diligence over a package of gold tenements in the Leonora Goldfields region of Western Australia. It is those same tenements which are now forming the basis of the tenement package which (together with Macarthur's non-iron ore assets in the Pilbara) will underpin the Infinity ASX listing.
- February also saw the confirmation of appointment of leading study consultants to enhance the delivery of the Feasibility Study of the Lake Giles Iron Project. The Company appointed Optimize Group, Projectus Infrastructure and FTI Consulting to provide study management oversight, transport infrastructure analysis and modelling, and financial modelling services respectively. Successfully delivering a mining and magnetite processing operation is a complex undertaking with many moving parts and variables across operations, geology, chemistry, logistics and project economics, so it was a smart move by Management to ensure that all aspects of the Study received the necessary oversight and attention with these key appointments.

- **March 2020**

- In March 2021, the Company announced its intention to spin-out its Pilbara gold and copper tenements into a separate vehicle in order to enable Macarthur to focus on delivering its iron ore projects and to deliver enhanced value for shareholders. The structure of that arrangement has pivoted into the current Infinity listing which is due to be completed by the end of November this year – and I will talk more about that shortly.
- During the same month, the Company announced that it was applying for additional tenements to support a future groundwater drilling campaign for the Lake Giles Iron Project following completion of airborne electromagnetic surveys of the paleovalley's adjacent to the project area.
- March saw the Company bolster its owner's team for the Feasibility Study with the appointment of some world class technical experts in Bernard Holtshousen (a recognised and respected mining engineer with decades of global project experience) and Dr Richard Peck who is renowned in Australia for his expertise in minerals processing.
- The Company also announced that it had joined the Goldfields-Esperance Business Register as a gold-member partner – demonstrating the Company's commitment to supporting the local community and the inclusion of local and indigenous content in the future development of the Lake Giles Iron Project.



- **April 2021:**

- In April 2021, the Company announced details of progress that had been made on the initial stages of mine planning work to support the Feasibility Study for the Lake Giles Iron Project through its work with Orelogy Mining Consultants and its geotechnical engineering consultants, Pells Sullivan Meynink. That stage of work included the completion of preliminary pit optimisations, designs, scheduling and project layouts to support an operation targeting production of magnetite concentrate. The work to that stage had also included obtaining budget pricing from mining contractors for contract mining and road haulage services.

- **May 2021:**

Throughout 2021 the Company has undertaken a significant body of work to lay the groundwork for the development of a DSO operation at Ularring, targeting higher grade nodes at the Snark and Drabble Downs deposits. On the back of continued positive momentum with global iron ore prices, the Company announced in May that it intended to advance mine planning work to support intended hematite mining operations whilst the Company continued to identify and implement options for an export pathway.

- **June 2021**

- The Company has a commitment to developing its iron ore projects responsibly and to have a clear ESG strategy that aligns with the expectations of our shareholders and future customers. The 'Green Steel' narrative and the use of hydrogen to achieve it is something that I am proud to say Macarthur was talking about well in advance of many other Australian iron ore companies. In June this year, the Company announced that it had signed a Strategic Partnership and Collaboration Agreement with LAVO Hydrogen Technology Holding Pty Ltd to investigate the facilitation of a staged technology solution for hydrogen energy at Lake Giles. I can't stress more clearly how committed this Company is to working towards achieving net zero emissions over the life of its future mining operations and adopting this type of technology could help not only to reduce operating costs over time, but also position the Company as a leader in Australia when it comes to reducing carbon footprint of the mining industry.
- Following an upgraded internal valuation, June also saw the Company formally announce its intention to spin-out its Pilbara non-iron ore assets and undertake the listing of Infinity Mining Limited on ASX. The Infinity listing will help fast-track further exploration and the future development potential of the Company's Pilbara Assets and the addition of the Central Goldfields tenements to the Infinity portfolio will add further value for Macarthur which will retain a material shareholding in Infinity post listing.
- In June the Company announced that it had signed a strategic Co-operation Agreement with diversified Singaporean-based conglomerate Jin Sung International Pte Ltd, which is hoed to pave the way for a strategic investment into Macarthur's iron ore and non-iron ore assets. Jin Sung is a substantial and diversified conglomerate which procures and trades coal, clinker, aggregate, gold, silver and other commodities. It had a total sales turnover in 2020 of USD700 million.
- Finally, in furtherance of the Company's aspirations to bring Ularring into early production, Macarthur announced that it had entered into an Access Agreement with adjacent tenement holder Mr Mel Dalla-Costand had made an application for a Miscellaneous Licence adjacent to the Snark Deposit to support the future construction of non-process infrastructure.



- **July 2021**

- In July the Company announced the commencement of a geotechnical drill campaign at Moonshine and Moonshine North to support mine planning work for the Feasibility Study. The diamond drill programme has recently been completed, albeit over a longer period than was originally anticipated (due to whether conditions, equipment failures and challenging ground conditions), and the result has been a successful completion of 1,560m across 8 holes, plus an additional hole that was requested by PSM late in the programme. That programme of drilling will provide the critical inputs necessary to complete the second phase of mine planning work for the Feasibility Study.
- To bolster the Company's DSO export ambitions, Macarthur signed a Term Sheet with Pacific National in early July which could facilitate the transport of up to 400,000 tonnes per annum of iron ore between Kalgoorlie and Esperance. That rail capacity remains available to the Company if the circumstances for DSO exports support an export solution via Esperance Port.
- Following on from the Pacific National rail deal in July, Macarthur also signed a binding but conditional Term Sheet with GWR Group Limited which enables the Company to complete a mine-gate purchase from GWR of up to 400,000 tonnes per annum of DSO from GWR's Wiluna West Iron Ore Project. Whilst GWR has recently gone into temporary care and maintenance at Wiluna, the deal delivers potential for Macarthur to leverage higher grade DSO products that it can also use to supplement or blend with its own DSO.
- July also saw the Company update the market on the scope of work that was being undertaken by our lead consultant Engenium (no Stantec) on the critical metallurgical process test work, process flow sheet development and key non-process infrastructure engineering design work for the Lake Giles Feasibility Study.

- **August 2021**

- In August, the Company announced that it had appointed Perth-based CPS Corporate Advisors as the lead Broker for the Infinity IPO.
- August also saw the announcement that the Company had continued to consolidate its transport position in Western Australia by securing access to additional rail haulage capacity with Aurizon between West Kalgoorlie and Kwinana. That deal brought Macarthur's potential access to rail haulage capacity in Western Australia to almost 1 million tonnes per annum over the next 12 months and up to 2.1 million tonnes in aggregate over 4 years, facilitating potential for the transport of DSO products including products potentially purchased from GWR under the mine-gate deal announced in July.
- During August the Company provided a market update on the progress of the geotechnical drill programme, which by that stage was well underway. Whilst the drill programme was continuing, the Company also hosted a site visit by Stantec engineers at Moonshine and Moonshine North, enabling our lead Study consultants to take in all relevant aspects of the project that will be covered by the Feasibility Study at the mine site, as well as other areas required to support the development of key non-process infrastructure.
- In late August, Stantec engineers and Macarthur representatives also visited Esperance Port to assess the aspects of Esperance Port that will be necessary to support engineering works for on-port infrastructure that will also inform capital and operating cost outputs for the Feasibility Study.



- **September 2021**

- In September, the Company continued its strategy of engaging critical thinking on the delivery of the Feasibility Study by announcing the appointment of VECKTA to provide critical inputs for the design of an optimised onsite energy micro-grid system at Lake Giles. VECKTA (which is a joint venture between global professional services consultancy Worley and microgrid planning and assessment software developer XENDEE) uses a proprietary software solution to analyse a range of data to help design solutions for optimised energy configuration. VECKTA were specifically selected by Macarthur to deliver inputs into the Feasibility Study so that our study engineers can ensure that the final power system design and equipment selection for Lake Giles achieves an optimised mix of cost reduction, carbon reduction and improved reliability.
- September also saw the confirmation to the market that the Company's Pilbara iron ore tenements at Strelley's Gorge and Tambourah would remain within the Macarthur Group following the listing of Infinity Mining Limited – thereby preserving Macarthur's ability to pursue a future iron ore extension strategy in the Pilbara region of Western Australia.
- ASX in-principle advice on the suitability of Infinity Mining Limited for admission to the ASX Official List was received in September, paving the Infinity listing process to proceed, subject to final exchange approvals.
- September also saw the announcement that a number of C\$0.40c warrant holders had elected to exercise approximately 3.5 million in-the-money warrants that were due to expire that month, bringing an additional C\$1.425 million into the Company.
- The preliminary results of the VECKTA energy analysis were also delivered to the market last month, which demonstrated potential for Macarthur to achieve renewable energy penetration for its stationary energy requirements at Lake Giles from the commencement of operations at levels from 40% to as high as 90%, delivering the potential for greater than expected reductions in overall energy costs over the life of the mine when compared with diesel or gas alone, with the added benefit of delivering a much lower carbon footprint. The capital costs implications associated with a higher percentage renewables penetration would need to be considered and balanced under the current Study, but any final energy solution is likely to be pushed off-balance sheet under a "full-wrap" build-own-operate structure.
- A deal with Seaco Australia Pty Ltd to reserve access to 190 half-height shipping containers to support the Aurizon rail haulage task to Kwinana Bulk Terminal was announced in September, bringing the Company a step closer to completing logistics arrangements, subject to finalising a formal container lease agreement and securing port access.

- **October 2021**

- October was a busy month of continuing work with the Feasibility Study. The Company provided an update on the progress of the metallurgical process test work for the magnetite and on the non-process infrastructure engineering design work being undertaken by Stantec. Updates were also provided on the progress of the rail and port logistics work being undertaken by Projectus to complete a concept plan of operations and a further update was provided on the geotechnical analysis and mine planning work being undertaken by PSM and Orelogy respectively.



- Finally, the Company recently announced the closing of seed funding for Infinity Mining Limited for A\$1.5 million prior to its intended initial public offering on ASX.

This is only a brief snapshot of our progress over the 2021 Financial Year and the more recent period, leading up to this AGM, but the massive amount of work being undertaken by our small and dedicated Management Team is clear. The 2022 Financial Year brings with it an even busier period, and our Management Team will now be working on delivering against a number of material milestones that they have set for themselves as we transition from explorer to producer.

Chief amongst these will be completing and delivering the Bankable Feasibility Study for the Lake Giles Iron Project which is now materially advanced and entering its final stages. Following completion of the Study we will be working with our financial advisers to put in place project finance to construct our high-grade magnetite mine. With the Feasibility Study nearing completion (and subject to closing of finance) Macarthur anticipates that a commencement of commercial production of magnetite mining operations at Lake Giles by 2024 is still achievable at this stage.

The Company still continues to pursue early production and revenue strategies and I can assure all of our loyal shareholders that Macarthur's strategy remains acutely focused on transitioning to production within the shortest possible timeframe.

Macarthur's progress since our last AGM has been achieved on the back of incredible focus and massive effort from our small and dedicated team. In that regard, I would like to acknowledge the efforts of our Board and the hard-working Management Team, as we look forward to another value-filled 12 months. I'd like to acknowledge in particular the hard work and massive contribution being made to the underlying value of the Company through the leadership by Andrew and Joe. Not only do they work incredibly hard, but their relentless focus on strategy and engagement is positioning the Macarthur for success for many years to come. A lot of that effort is not always visible to the market, but I can assure you that they are operating at intensive levels on all fronts.

I'd also like to make special mention of the people in Macarthur who make all of this possible. Dr Dean Carter (who is our talented and hardworking General Manager of Projects) and our Company Secretary Mima Wirakara, - both of whom work tirelessly to keep things moving. And I would like to express the Board's appreciation of the material effort and hard work being undertaken by Richard Moon, Alexandra Sfyri, Cassie Cardoso, Suzy Phillips, Josefina Scheffer, Loreta Moras, Shayamini Weeramantri, Patrick Ruddy, Bernard Holsthousen.

Lastly, I would also like to recognise all of the dedicated consultants who are contributing tirelessly to the success of our current Feasibility Study.

This really is a team effort, and I thank everyone involved and our loyal shareholders for their continuing support.

The next year is shaping up to be a year of material 'firsts' for Macarthur.