

31 August 2022

CHAIRMAN'S ADDRESS FOR 2022 ANNUAL GENERAL MEETING

Macarthur Minerals Limited (TSXV: MMS) (ASX: MIO) (OTCQB: MMSDF) (the **Company** or **Macarthur**), is holding its 2022 Annual General Meeting today.

Attached is a copy of the Chairman's address.

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

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Company profile

Macarthur is an iron ore development, 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 Lake Giles Iron Project also contains Proven Ore Reserves of 51.9 Mt and Probable Ore Reserves of 184.7Mt. Macarthur also holds 24 square kilometre tenement area iron exploration interests in the 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 Ore 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.



CHAIRMAN'S ADDRESS

1. Welcome

Good morning Ladies and Gentlemen.

I have pleasure in welcoming you to the 2022 Annual General Meeting for Macarthur Minerals Limited.

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

2. Format of Meeting

In a moment, I will make some remarks about the Company's progress and other matters. We will then attend to the formal business of the meeting.

3. Open of Meeting / Quorum

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

4. Introductions

I'm joined this morning by:

- Alan Spence Phillips (Non-executive Director);
- Alan Joseph Phillips (CEO and Managing Director); and
- Mima Wirakara (Company Secretary).

Also here with us is Ryan Welker who will be appointed to the Company's Board of Directors effective from tomorrow, 1 September 2022.

Meeting apologies were received from Andrew Suckling (Non-Executive Director) who lives in New York and unable to travel to attend in person as well as Ian McCall (CFO).

Albert Loots, representing our auditors RSM Australia Pty Ltd, is also present. He 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.

We also welcome Jessie Yerma and her team from Computershare and would like to acknowledge and thank you, for your assistance with the conduct of today's meeting.

5. The Year in Review

On behalf of the Board, I would like to take the opportunity to provide some highlights on a truly remarkable year for Macarthur and the significant achievements over the last 12 months. In another year of global uncertainty, we have maintained focus and discipline to deliver values to our shareholders.

The year has been focused on:

- the completion of the engineering and geological works program to support the definition of a maiden Ore Reserve Statement and Feasibility Study for the Lake Giles Iron Project; and
- the spinout of the Company's non-iron ore assets into Infinity Mining Limited in December 2021.



In August 2021, Macarthur was trading at A\$0.70 with a notional market cap approaching A\$100million. Since that time, we have added value in the form of a material shareholding in Infinity Mining and the release of a positive feasibility study with a net present value (NPV) of A\$816million for the Lake Giles Iron Project.

In view of the current world economy, there have been no major shifts in the fundamentals of the project with the Company in the pre-construction phase, therefore inflation is not impacting our project and the iron ore price is tracking the 10-year average price as used in the Feasibility Study analysis. Demand for iron ore remains high and the recently announced Chinese Government support for their domestic building and construction industry will go a long way in underpinning this demand.

Infinity Mining Limited ASX Spin-out

- Macarthur completed the spin out of its non-iron Pilbara assets through an initial public offering (“IPO”) of Infinity Mining Limited. Under Australian Securities Exchange ticker IMI, Infinity was listed in December 2021 and successfully raised \$1.5m seed funding and \$10m Initial Public Offering (IPO).
- Following its listing, Infinity exited the Macarthur Group. Macarthur Australia Limited, a wholly owned subsidiary of Macarthur, as a seed capitalist owns a 20.74% holding in Infinity and became a substantial holder.
- In July 2022, Macarthur increased its holding to 21.65%.
- The Company executed a Shared Services Agreement with Infinity in September 2021 to make available qualified personnel as required by Infinity from time to time, to fulfil the functions of Company Secretary, Corporate Governance support, legal and project management services subject to Infinity Mining requests and instructions. The shared services agreement has contributed positively to the reduction of administrative overheads between the two listed entities.
- The Company also entered into a Tenement Sale and Non-Iron Ore Rights Agreement in August 2021, under which Infinity sold its Strelley Gorge E45/4735 and Tambourah E45/5324 tenements to Macarthur Iron Ore Pty Ltd, a wholly owned subsidiary of Macarthur to which Infinity retained all rights to explore for, extract and sell all minerals excluding iron ore from these tenements.

Lake Giles Projects

- In March 2022, the Company delivered a maiden Ore Reserve of 237 Mt for a 25-year mine life with positive project economics, with pre-tax NPV of USD 579m (AUD 816m) and completed the Feasibility Study for its high-grade magnetite Lake Giles Iron Project for a 3 Mtpa (dry basis) magnetite mining and processing operation, targeting 66% Fe with minimal impurities suitable for pellet feedstock.
- Independent Technical Report, entitled “NI 43-101 Technical Report and Feasibility Study, Lake Giles Iron Project, Menzies, Western Australia” was filed under the Company’s profile on the System for Electronic Document Analysis and Retrieval (“SEDAR”) website in April 2022.
- In May 2022, the Company appointed a Strategic Sub-Committee to assist the Board of Directors for the purpose of the development, assessment, and implementation of the Company’s plan for the development of the Lake Giles Iron Project and associated infrastructure as the Company continues to focus on core fundamentals and project delivery. This committee is now well established and underway on the task of delivering strategic partners for the major logistics, mining, construction, and support infrastructure (power and water) required to bring the Lake Giles Iron Project out of the ground. The strength of the partners will ensure a quality debt component to the projects’ financing.

Financing

- In April 2022, Macarthur completed an oversubscribed A\$7.5m private placement at a price of AUD \$0.50, with institutional and sophisticated investors.



Conclusion

Before we proceed with the formal business of the meeting, on behalf of the Board, I would like to take this opportunity to thank the entire Macarthur team who delivered the excellent results in 2022 while continuing to adapt to a dynamic external environment and to welcome Ryan Welker to the Board. Ryan has extensive commercial finance and mining experience and will be an invaluable asset to Macarthur. We look forward to working with him as we develop our Lake Giles Iron Project.

I would also like to extend my appreciation to our shareholders for their ongoing support and conclude by recognising the significant contribution of Joe Phillips, who is retiring as Managing Director effective from the end of this meeting and Chief Executive Officer effective from tomorrow, 1 September 2022 to which I will assume the position. Joe's exceptional leadership has been invaluable, demonstrating the focus to progress the Lake Giles Iron Project to the advanced stage it is today. Going forward, Joe's engagement will be Project Consultant to advise the Macarthur Strategic Sub-Committee. Joe will remain as the Executive Chair of Infinity Mining Limited, a company that has some very exciting lithium projects in the Pilbara to which Macarthur is a significant holder with 21.65% interest.

Thank you.

Cameron McCall
Executive Chairman