

10 September 2020

EARLY CONVERSION BY GLENCORE COMPLETES 100% CONVERSION OF ALL OUTSTANDING CONVERTIBLE NOTES

- The early conversion of the total of the Company's outstanding debt under the Convertible Notes 23 months prior to maturity, by the remaining Convertible Note holders, positions the Company well to complete its project financing strategy
- Glencore, Exception Capital LLP and Mr. M Denning have all elected to proceed with the early conversion of their Notes to Macarthur shares
- 100% conversion facilitates release of security over iron ore tenements

Macarthur Minerals Limited (ASX: MIO) (TSX-V: MMS) (the "Company" or "Macarthur") is pleased to announce the early retirement of 100% of the secured Convertible Note, 23 months prior to maturity. This was achieved through the receipt of conversion notices from the three remaining holders of the Company's Convertible Note offering ("Note") in accordance with the terms and conditions of the private placement offering announced on 10 July 2019.

The Board of Macarthur has resolved to approve the request of the final three note holders, Glencore International AG ("Glencore"), Exception Capital LLP and Mr M Denning to convert all of the outstanding amounts advanced for their subscriptions, totalling 81 Notes, for gross proceeds of US\$3,250,000 into 9,518,237 ordinary shares in the capital of the Company at conversion price in accordance with the terms of their Investment Agreements and based upon the prevailing exchange rates on the respective dates of conversion.

The Convertible Notes were secured notes, and now that they have been converted, the Company is in the process of finalising arrangements to extinguish the security held over the Company's Lake Giles iron ore tenements.

Cameron McCall, President and Executive Chairman of Macarthur Minerals commented:

"The Board of Macarthur welcomes Glencore, Exception Capital and Mr Denning as shareholders of the Company."

Glencore also hold a life-of-mine binding Off-Take Agreement with Macarthur for the sale of iron ore to be produced from the Lake Giles Iron Project in the Yilgarn Region of Western Australia from the commencement of commercial production, as announced on March 21, 2019.

The early conversion of all participating Note holders, 23 months prior to maturity, is great news for the Company and indicates strong investor support in the continued progress that the Company is making to bring its flagship Lake Giles Iron Project into production."

Premium Australian iron ore



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

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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.