

21 October 2021

INFINITY MINING IPO SPIN-OUT UPDATE: Sale and Purchase Agreement

Macarthur Minerals Limited (ASX: MIO) (TSX-V: MMS) (OTCQB: MMSDF) (the **Company** or **Macarthur**) is pleased to announce that on 18 October 2021, Infinity Mining Limited (**Infinity**) (previously named Macarthur Lithium Pty Ltd) entered into a Sale and Purchase Agreement with Zanil Pty Ltd (**Zanil**) and Alec Charles Pointon (**Pointon**) to acquire 100% of the Central Goldfields Tenements detailed in the table below, situated in and around the Leonora region, approximately ~220 km north of Kalgoorlie in Western Australia. The vending of the Central Goldfields Tenements into Infinity under the Sale and Purchase Agreement is a key value component of the planned listing of Infinity on ASX this year.

Tenement ID	Project	Status	Holder	Area
M37/1349	Victor Bore	Live	Alec Pointon	15.37155 Ha
P37/8278 [^]	Barlow's Gully	Live	Alec Pointon	200 Ha
M37/983	Chicago	Live	Zanil Pty Ltd	38 Ha
P37/8310 [^]	Great Northern Workings	Live	Zanil Pty Ltd	134 Ha
P37/8325	Camel	Live	Zanil Pty Ltd	191 Ha
P37/8376	Victor Bore	Live	Alec Pointon	180 Ha
P37/8468	Craig's Rest [~]	Live	Zanil Pty Ltd	138 Ha
P37/8571	Specking Patch	Live	Alec Pointon	108.69 Ha
P37/9162	Coppermine	Live	Zanil Pty Ltd	111 Ha
E37/1442	Craig's Rest [~]	Live	Alec Pointon	1 Block
M37/1360 [#]	Great Northern Workings	Pending	Zanil Pty Ltd	134 Ha
M37/1359 [#]	Barlow's Gully	Pending	Alec Pointon	200 Ha

[^] Application submitted for conversion to Mining Lease (#)

[~] Formerly "Garden Well"

The conditions precedent which must be satisfied or waived prior to completion of the purchase by Infinity are:

- (a) ASX granting conditional approval for the Purchaser (Infinity) to be admitted to the official list of ASX;
- (b) all necessary Ministerial Consents to the transfer of the granted Tenements being given under the Mining Act;
- (c) all necessary third-party consents to the Disposal of a Seller's rights have been obtained; and
- (d) Infinity receiving any necessary approvals.

The conditions precedent must be satisfied by the end date of 31 December 2021 otherwise either party may terminate the Sale and Purchase Agreement by notice to the other. Completion will occur within 5 business days after the conditions precedent listed above have been satisfied or waived, or such other date agreed by the parties acting reasonably.

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The total consideration payable by Infinity for the purchase of the Central Goldfields Tenements will be 20,000,000 shares in Infinity at a deemed price of A\$0.20 per share, resulting in an aggregate value of the consideration of A\$4,000,000. The shares will be allocated between Zanil and Pointon as follows:

- (a) Zanil will receive 10,000,000 shares in Infinity, representing a value of A\$2,000,000 (exclusive of GST)
- (b) Pointon will receive 10,000,000 shares in Infinity, representing a value of A\$2,000,000 (exclusive of GST).

The Sale and Purchase Agreement otherwise contains provisions considered standard for an agreement of its nature (including requirements for assignment of contracts to the buyer affecting the relevant Tenements, pre-completion rights and obligations, representations, warranties and confidentiality provisions.)

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

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No new information

To the extent that this announcement contains references to prior exploration results and Mineral Resource estimates, which have been cross referenced to previous market announcements (including supporting JORC reporting tables) made by the Company, unless explicitly stated, no new information is contained in accordance with Table 1 checklist in the JORC Code. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements and, in the case of Mineral Resources that all assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

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.



This news release is not for distribution to United States services or for dissemination in the United States

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.