

NEWS RELEASE

May 9, 2016

Symbol: TSX-V: MMS
For Immediate Dissemination

MACARTHUR MINERALS ANNOUNCES FIRB APPROVAL FOR RARE EARTH MINERALS PLC PLACEMENT

Macarthur Minerals Limited (TSX-V: MMS) (the "Company" or "Macarthur Minerals") is pleased to announce that Rare Earth Minerals plc (AIM: REM, OTC: REMMY) ("Rare Earth Minerals") has been notified by the Australian Foreign Investment Review Board ("FIRB") that it has no objection to the previously announced non-brokered private placement (the "Offering"). All matters concerning the Offering are now complete.

As previously announced, the Company closed the Offering for gross proceeds of CAD\$300,000 for 15,000,000 units (each, a "Unit") at a price of CAD\$0.02 per Unit ("Unit Price") to Rare Earth Minerals. The Unit Price is equal to the closing price of the Company's TSX Venture Exchange listed shares on February 3, 2016, the date the Company announced the Offering. Each Unit is comprised of one common share in the capital of the Company (each, a "Common Share") and one whole warrant to acquire a Common Share (each, a "Warrant") at an exercise price of CAD\$0.05 per Common Share for a period of twelve months from the date of issuance.

The Company obtained approval from the to waive the CAD\$0.05 minimum pricing requirement in accordance with TSX Venture Exchange bulletin dated April 7, 2014 "*Discretionary Waivers of \$0.05 Minimum Pricing Requirement*".

Rare Earth Minerals will own approximately 15.26% of the Company's issued and outstanding shares on an undiluted basis.

ABOUT RARE EARTH MINERALS (AIM: REM, OTC: REMMY)

Rare Earth Minerals Plc is a London and New York listed Investment Company focused on creating a diverse portfolio of direct and indirect interests in lithium and rare earth element deposits. Rare Earth Minerals' investment strategy is to acquire a diverse portfolio of direct and indirect interests in exploration and development projects and assets.

Rare Earth Minerals has a significant stake in Bacanora Minerals Ltd (TSX-V, AIM: BCN), and has joint ventures with Bacanora which cover part of the Sonora Lithium Project in Northern Mexico.

Rare Earth Minerals also has an investment in European Metals Holdings Limited (ASX, AIM: EMH) that owns the exploration rights to one of the most significant lithium deposits in Europe, the Cinovec Lithium Deposit. Further, Rare Earth Minerals has an investment in Western Lithium USA Corporation (TSX: WLC, OTCQX: WLCDF), which owns the Kings Valley Lithium Project in Nevada and the Cauchari – Olaroz Project in Argentina. Rare Earth Minerals also has strategic investments in other rare earth projects in Australia and Greenland.

ISSUED CAPITAL

Following the issue of shares to Rare Earth Minerals, Macarthur will have 98,322,642 shares on issue and a total of 38.9 million warrants with an exercise price of C\$0.05 of which, 23.9 million warrants expire in July and August 2016, and 15 million warrants expire in May 2017. There have been over 68 million shares traded in the past 30 days.

ABOUT MACARTHUR MINERALS LIMITED (TSX-V: MMS)

Macarthur Minerals Limited is an exploration and development company that is focused on identifying and

developing high grade lithium and counter cyclical investments that complement Macarthur's capabilities.

On behalf of the Board of Directors,

MACARTHUR MINERALS LIMITED

"Cameron McCall"

Cameron McCall, Chairman

Company Contact:

David Taplin, Managing Director

dtaplin@macarthurminerals.com

Tel: +61 407470044

www.macarthurminerals.com

**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 TSX VENTURE EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

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, including whether the Transaction will be completed. 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. With respect to forward-looking statements contained in this press release, assumptions have been made regarding, among other things, the timely receipt of required approvals, the reliability of information, including historical mineral resource or mineral reserve estimates, prepared and/or published by third parties that are referenced in this press release or was otherwise relied upon by the Company in preparing this press release. 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 fluctuations in exchange rates and certain commodity prices, uncertainties related to mineral title in the project, unforeseen technology changes that results in a reduction in iron ore demand or substitution by other metals or materials, the discovery of new large low cost deposits of iron ore, uncertainty in successfully returning the project into full operation, and the general level of global economic activity. 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.