

**EARLY WARNING REPORT UNDER  
NATIONAL INSTRUMENT 62-103**

***THE EARLY WARNING SYSTEM AND RELATED TAKE-OVER BID AND INSIDER  
REPORTING ISSUES***

**1. Name of the relevant reporting issuer**

Macarthur Minerals Limited (the "Issuer")

**2. Date of the acquisition**

July 24, 2014

**3. Name and address of Offeror**

Halliday Family Trust ("HFT")  
P.O.Box 213216, Dubai, U.A.E.

**4. Designation and number, or principal amount, of securities and the Offeror's security holding percentage in the class of securities of which the Offeror acquired ownership or control in the transaction or occurrence giving rise to the obligation to file the news release, and whether it was ownership or control that was acquired in those circumstances.**

HFT acquired ownership and control of 11,200,000 common shares of the Issuer (the "Shares"). The Shares represent approximately 19.99% of the outstanding Shares of the Issuer.

**5. Designation and number, or principal amount, of securities and the Offeror's security holding percentage in the class of securities immediately after the transaction or occurrence giving rise to obligations to file a news release.**

Following completion of the subscription, HFT has ownership and control over 11,200,000 Shares of the Issuer, which represents approximately 19.99% of the outstanding Shares of the Issuer.

**6. Designation and number, or principal amount of securities, and the percentage of outstanding securities of the class of securities referred to in paragraph 5 over which:**

**(i) The Offeror, either alone or together with joint actors, has ownership and control,**

Following completion of the subscription, HTF has ownership and control over 11,200,000 Shares of the Issuer, which represents approximately 19.99% of the outstanding Shares of the Issuer.

**(ii) The Offeror, either alone or together with joint actors, has ownership but control is held by other persons or companies other than the Offeror or any joint actor,**

Not applicable.

**(iii) The Offeror, either alone or together with joint actors, has exclusive or shared control but does not have ownership.**

Not applicable.

- 7. The name of the market in which the transaction or occurrence that gave rise to the news release took place.**

Not applicable. The Shares described in item (4) above were issued to HFT from treasury pursuant to the subscription agreement.

- 8. The value, in Canadian dollars, of any consideration offered per security if the Offeror acquired ownership of a security in the transaction or occurrence giving rise to the obligation to file a news release.**

The purchase price for the Shares was AUD\$2,240,000 or AUD\$0.20 per Share. The purchase price is equal to C\$2,283,008 or approximately C\$0.204 per Share, based on the Reserve Bank of Australia exchange rate on June 6, 2014.

- 9. The purpose of the Offeror and any joint actors in effecting the transaction or occurrence that gave rise to the news release, including any future intention to acquire ownership of, or control over, additional securities of the reporting issuer.**

HFT purchased the Shares for investment purposes. HFT may, or may not in the future acquire or dispose of securities of the Issuer, through the market, privately or otherwise, as circumstances or market conditions warrant, subject to applicable laws.

- 10. The general nature and the material terms of any agreement, other than lending arrangements, with respect to securities of the reporting issuer, entered into by the Offeror, or any joint actor, and the issuer of the securities or any other entity in connection with the transaction or occurrence giving rise to the news release, including agreements with respect to the acquisition, holding, disposition or voting of any securities.**

HFT entered into a share subscription agreement on June 9, 2014 under which it acquired the Shares. The subscription agreement provided for the acquisition of the Shares only and does not contain additional provisions regarding the holding, disposition or voting of any securities of the Issuer.

- 11. The names of any joint actors in connection with the disclosure required above.**

Not applicable.

- 12. Nature and value of consideration paid by the Offeror, if the transaction or occurrence disclosed in this report did not take place on a stock exchange or other published market for the securities.**

Not applicable.

- 13. When applicable, a description of any change in any material facts set out in a previous report under the legislation stated above.**

Not Applicable.

**14. When applicable, a description of the exemption from securities legislation being relied on by the Offeror and the facts supporting that reliance.**

Not Applicable.

**Dated this 24th day of July, 2014.**

**Halliday Family Trust**

Per: "*Michael Halliday*"

Authorized Signatory

**Halliday Family Trust**

P.O.Box 213216

Dubai

U.A.E.