

DRILLING CONTRACTOR APPOINTED TO COMMENCE DRILLING AT THE MOONSHINE MAGNETITE PROJECT AT LAKE GILES

Macarthur Minerals Limited (TSX-V: MMS) (the “Company” or “Macarthur”) is pleased to announce that it has engaged Orbit Drilling Pty Ltd (“Orbit Drilling”) to commence an infill drill program at its Moonshine Magnetite Project at Lake Giles (“Project”) in the Yilgarn region of Western Australia.

Highlights

- The Company has contracted Orbit Drilling to complete a 30 hole infill program at the Moonshine Magnetite Project.
- The drill program has been planned to upgrade the Inferred Mineral Resource estimate to a Measured Mineral Resource of approximately 100 million tonnes (“Mt”) at the Project.
- Drill-hole planning was conducted by CSA Global Pty Ltd (CSA), the Company’s independent geological consultants.
- The Measured Mineral Resource will underpin the bankable feasibility study (“BFS”) of the Project to be completed in 2019.

Cameron McCall, Executive Chairman of Macarthur Minerals commented;

“The Moonshine Magnetite Project contains an impressive Inferred Mineral Resource of approximately 1.3 billion tonnes of magnetite that will enable a long-term project. Our infill drill program at the Moonshine Project is aimed to convert 100 Mt of the resource to a Measured category. This will underpin the BFS of the Lake Giles Iron Ore Project and the 10 year offtake agreement previously announced with Glencore International A.G.”

Drilling Program

The drilling program is designed to coincide with the BFS for the Project to be undertaken in 2019. Mining and processing studies will be based on Measured Mineral Resources to provide greater confidence in the outcomes of the study.

The initial drilling campaign will involve 21 Reverse Circulation holes and 9 Diamond holes totaling 5,130 meters over a 4 km strike length of resource (Figure 1) The program aims to convert approximately 100 Mt of the Inferred Mineral Resource to a Measured Mineral Resource at the Moonshine deposit. Drill planning has been completed by CSA Global, who completed the early resource modelling and estimations for the Moonshine Magnetite Project.

The drilling program is also planned to obtain diamond core for the purpose of further metallurgical test-work. Diamond core is required for the BFS to refine the process flow design and provide greater understanding of ore variability. This metallurgical test-work program will commence mid-way through the drilling program as core becomes available.

Drilling is planned to commence in early May on receipt of required drilling permits, with an initial campaign of approximately 12 weeks.

Moonshine Magnetite Project

The Moonshine Magnetite Project contains an Inferred Mineral Resource consisting of 1,316 Mt @ 30.1% Fe.

The Inferred Mineral Resource estimate for the Moonshine Magnetite Project was initially prepared by CSA Global Pty Ltd (NI43-101 Technical Report filed December 17, 2009, titled “NI43-101 Technical Report on Lake Giles Iron Ore Project: Western Australia”) and was updated by Snowden



Mining Industry Consultants (NI43-101 Technical Report filed March 25, 2011, titled "Macarthur Minerals Limited: Moonshine and Moonshine North Prospects, Lake Giles Iron Project, Western Australia, NI43-101 Technical Report – Preliminary Assessment"). The Moonshine Magnetite Project has an Inferred Mineral Resource consisting of approximately 1,316 Mt @ 30.1% Fe. A Preliminary Assessment Report was prepared on the Moonshine Magnetite Project by Snowden Mining Industry Consultants in 2011.

QUALIFIED PERSONS

Mr Ian S Cooper, B.Sc., A.R.S.M., F.G.S. FAusIMM, a Fellow of the Australasian Institute of Mining and Metallurgy (membership number 107348, is a consultant of Macarthur and is a Qualified Person as defined in NI 43-101. Mr Cooper has reviewed and approved the technical information contained in this news release.

ABOUT MACARTHUR MINERALS LIMITED (TSX-V: MMS) (OTCQB: MMSDF)

Macarthur Minerals Limited is an iron ore development company with its focus on bringing into production, its sizeable, 100% owned, Moonshine Magnetite and Ularring Hematite Iron Ore Projects at Lake Giles in Western Australia. Macarthur Minerals also has prominent (~1,130 square kilometer tenement area) exploration interests in gold, lithium, nickel, cobalt in the Pilbara region of Western Australia. In addition, Macarthur Minerals has lithium brine Claims in the emerging Railroad Valley region in Nevada, USA.

On behalf of the Board of Directors,
MACARTHUR MINERALS LIMITED

"Cameron McCall"
Cameron McCall, Executive Chairman

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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. 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.

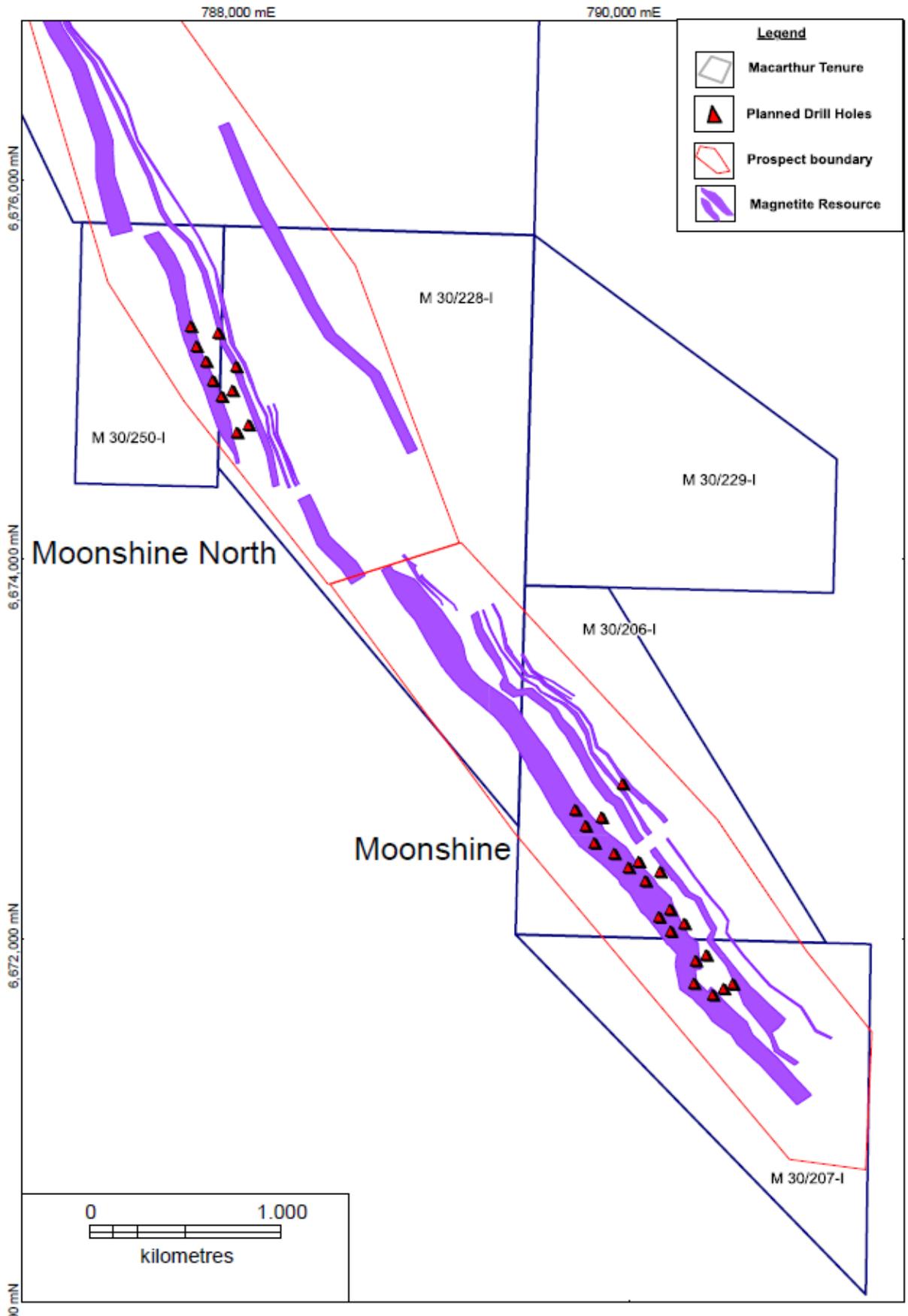


Figure 1. Location of planned drill holes at Moonshine and Moonshine North magnetite deposits.