

NEWS RELEASE
December 16, 2010

Symbol: MMS-TSXV
For Immediate Dissemination

MACARTHUR MINERALS SECURES COMMITMENT TO IRON ORE EXPORT FACILITIES WITH THE PORT OF ESPERANCE

VANCOUVER, BRITISH COLUMBIA – (Marketwire – December 16, 2010), Macarthur Minerals Limited (MMS – TSXV) (“the Company”) is pleased to announce that it has entered into a Multi User Facility Access Deed with the Esperance Port Authority under which it has secured commitment to a 2 million tonnes per annum allocation, as part of the proposed expansion of iron ore export facilities at the Port of Esperance (“Port”) in Western Australia.

The capacity allocation commitment and relationship with the Esperance Port Authority is a significant milestone towards the achievement of the Company's short term iron ore production strategy. The Port expansion, which is subject to Ministerial approval, will involve establishment of a new multi-user iron ore facility with an initial capacity upgrade of 10 million tonnes per annum in Stage 1 by 2012 and a further 10 million tonnes per annum in Stage 2. Expansion of Port facilities will facilitate the proposed export of iron ore from the Company's Lake Giles Direct Shipping Ore (“DSO”) project.

The rights of the Company to use the expanded Port facilities will be on a take or pay basis for up to 20 years, based upon terms and conditions to be agreed between the parties including access and usage charges with rights to increase the Company's capacity allocation in further development stages of the Port.

The Company's CEO, Alan Phillips, stated: *“The Company has a clear strategy for the short term production of Macarthur Minerals' DSO iron ore project (hematite/goethite). While the detailed terms of our access to the expanded Port facilities will be the subject of on-going negotiation with the Esperance Port Authority, we are encouraged by this decision taken by the Esperance Port Authority as it provides our Lake Giles project with a significant step towards achieving our goals of early iron ore production”.*

ABOUT MACARTHUR MINERALS LIMITED (TSX-V:MMS)

Macarthur Minerals Limited, is a Perth, Australia based resource development company that is currently focused on developing its Lake Giles Iron Ore project, located in the Yilgarn iron ore district in Western Australia. The Lake Giles project is located 110km from rail with direct access to the Port of Esperance, Western Australia. The project has a resource of 1.3 billion tonnes of magnetite mineralization that has been reported in accordance with National Instrument 43-101, and 18 million tonnes of potential Direct Shipping Ore (DSO) Goethite/Hematite at 55.5% Fe. Macarthur is currently completing a scoping study on the magnetite project and DSO Hematite, both expected to be completed by calendar year end 2010.

On behalf of the Board of Directors,
MACARTHUR MINERALS LIMITED

“Alan Phillips”

Alan Phillips, President, Chairman & CEO

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