



NEWS RELEASE
December 20, 2011

Symbol: TSX: MMS, OTCQX: MMSDF
For Immediate Dissemination

ISSUE OF INCENTIVE STOCK OPTIONS

VANCOUVER, BRITISH COLUMBIA – (Marketwire – December 20, 2011), Macarthur Minerals Limited (TSX: MMS, OTCQX: MMSDF) (“the Company” or “Macarthur”) is pleased to announce that pursuant to the Company’s Stock Option Plan, it has granted an aggregate of 425,000 incentive stock options to a director and employees.

The options are exercisable for a 3-year period from today at \$2.00 per share and will be subject to a four-month hold period from grant.

ABOUT MACARTHUR MINERALS LIMITED (TSX: MMS, OTCQX: MMSDF)

Macarthur Minerals Limited is an Australian based resource development company currently focussed on developing its Ularring Project (hematite), located in the Yilgarn iron ore district in Western Australia. The Ularring Project is located 110 km from rail with direct access to the Port of Esperance, Western Australia.

The Ularring Project has an indicated hematite resource of 8.6 Mt at 54.9% Fe and an inferred resource of 15.8 Mt at 55.3% Fe (press release dated September 21, 2011), and the Moonshine Project (magnetite) has an inferred resource of 1.3 billion tonnes (“Bt”) at 30.1% Fe (press release dated December 15, 2010) that has been reported in accordance with National Instrument 43-101.

On behalf of the Board of Directors,
MACARTHUR MINERALS LIMITED

“Alan Phillips”

Alan Phillips, President, Chairman & CEO

Corporate Relations

The Buick Group

Jonathan Buick

Tel: 416-915-0915, Email: jbuick@buickgroup.com

Australia: Alan Phillips, Tel: +61 418 726 230

Email: aphillips@macarthurminerals.com

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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. 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 reliability of information 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 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 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.