



For Immediate Dissemination
March 2, 2009

TSXV-MMS
NR2009-5

MINMETALS DOES NOT EXERCISE THEIR OPTION TO ACQUIRE A FURTHER 50% OF THE LAKE GILES PROJECT

Macarthur Minerals Limited (TSXV-MMS) was notified today that Minmetals Mining Corporation Ltd (MMCL) a wholly owned subsidiary of China National Products (HK) Corporation Limited will not exercise the option to acquire an additional 50% of the Lake Giles project. The deadline for MMC to exercise the option was 5pm today (Queensland time), therefore the right to exercise the option has now lapsed.

Under the terms of the Shareholders Agreement signed between the parties, LPD and MMCL now have 3 months in which to locate a buyer of Internickel Australia Pty Ltd (IAPL) on terms and conditions acceptable to each of the Company, LPD and MMCL. During this period, the Company can, if it desires, also seek to determine another commercial solution with LPD and MMC or seek an alternative strategic partner. If a commercial solution is not forthcoming within that 3 month period, MMS is entitled to, and proposes to, acquire back the 30% of IAPL held by MMCL and LPD by the issue of 4,716,981 shares in MMS at an issue price of C\$2.12 per share. At that point, MMS will hold 100% of the equity in IAPL and will hold \$6 million in working capital.

In the interim, MMS will be open for discussions with other strategic partners interested in tapping into this significant iron ore resource in the Yilgarn province of Western Australia. The letter from MMC does indicate that MMCL has a desire to continue to work through these matters with the Company.

The Company plans to continue to fully value add the project, with an active exploration program that will not only focus on current magnetite resource as well as drilling in areas that could hold the potential of direct shipping ore-hematite.

This approach will broaden the project appeal to potential strategic partners.

Mr Barwick said whilst the decision by MMCL was most disappointing, the Company remains in a very strong position to complete the exploration project and to work to introduce other strategic partners.

On behalf of the Board of Directors,
MACARTHUR MINERALS LIMITED

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ACN 103 011 436

#916 – 925 West Georgia Street
Vancouver, BC V6C 3L2 Canada
Tel: (604) 687-0775
Fax: (604) 687-0710
www.macarthurminerals.com

Brisbane Office
Macarthur Minerals Limited
Level 5, Suite 19, 320 Adelaide St.
Brisbane QLD 4000 Australia
Tel: +61 7 3010 9342
Fax: +61 7 3010 9001

"David K. Barwick"

David K. Barwick, President, Chairman & CEO

Investor and Media Inquiries:

North America: Gia Van Tran, Macarthur Minerals Limited

Tel: (604) 687-0775, Email: macmin@telus.net

Australia: David K. Barwick, Tel: + 61 4 488 700 745

Email: dbarwick@macarthurminerals.com

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MACARTHUR MINERALS LIMITED

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Vancouver, BC V6C 3L2 Canada
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Brisbane Office
Macarthur Minerals Limited
Level 5, Suite 19, 320 Adelaide St.
Brisbane QLD 4000 Australia
Tel: +61 7 3010 9342
Fax: +61 7 3010 9001