



NEWS RELEASE

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For Immediate Dissemination

HEMATITE MINERALISATION DISCOVERED AT MOONSHINE

VANCOUVER, BRITISH COLUMBIA – (Marketwire – January 18, 2010), Macarthur Minerals Limited (MMS – TSXV) is pleased to advise that outcropping hematite has returned an average grade of 58.8% Fe (range 51.5% to 62.1% Fe) from 18 surface rock chip samples for the Moonshine prospects at its Lake Giles Project. The iron (Fe%) assays were accompanied by low phosphorous levels of 0.05 % P and 6.8% SiO₂.

Mr Alan Phillips stated “We have now discovered three significant hematite occurrences that have the potential to deliver Direct Shipping Ore (“DSO”) to the Lake Giles project. This will have obvious economic benefits and will now be the exploration focus for the start of the 2010 drilling programme”.

The hematite discovered at Moonshine is in addition to the hematite mineralisation reported on December 8, 2009 for the Banjo and Red Hill occurrences. A summary of the mapping and sampling results of the three areas is detailed below:

Hematite Occurrence	No. Samples	Mapping		Grade (Average)		
		Length (m)	Width (m)	Fe%	P%	SiO ₂ %
Moonshine	18	500	25	58.8	0.05	6.8
Banjo	22	700	35	57.5	0.06	8.8
Red Hill	24	400	20	57.3	0.06	7.1

Further hematite targets have been identified and evaluation of these targets will continue via systematically mapping and sampling over the next few months. The depth of the surface hematite is unknown as no drilling has been completed within the areas of outcropping haematite mineralisation.

The results are of similar grade to some of the iron ores being mined elsewhere in Western Australia and indicate that there is potential for the identification of direct shipping ore (DSO) in the Lake Giles Project.

On December 2, 2009 the company released an Inferred Mineral Resource of 511 million tonnes at 27.8% Fe for the Moonshine project which increased the company’s total Inferred Mineral Resource estimate for the Lake Giles project to 1,051 million tonnes at 28.3 % Fe.

QUALIFIED PERSON

Mr. Andrew Spinks B.App.Sc, Grad.Dip (Mining), a member of AusIMM, and a consultant geologist, is a Qualified Person as defined in National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101"), in charge of the exploration on the Lake Giles project.

On behalf of the Board of Directors,
MACARTHUR MINERALS LIMITED

"Alan Phillips"

Alan Phillips, President, Chairman & CEO

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