



NEWS RELEASE
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For Immediate Dissemination

MACARTHUR MINERALS ANNOUNCES CLOSING OF \$50 MILLION BOUGHT DEAL EQUITY FINANCING

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Vancouver, British Columbia – Macarthur Minerals Limited (the “Company” or “Macarthur Minerals”) (TSX-V: MMS) is pleased to announce that it has closed its previously announced bought deal private placement offering (the “Offering”) of units (“Units”) of the Company. Each Unit consists of one common share and one-half of one common share purchase warrant (the “Warrants”). Each whole warrant is exercisable for one common share at a price of \$4.50 per share for a period of 24 months from the date hereof. In the event that the closing sale price of the Company’s common shares on the TSX Venture Exchange is greater than \$6.00 per share for a period of 20 consecutive trading days at any time after closing of the Offering, the Company may accelerate the expiry date of the Warrants by giving notice to the holders thereof and in such case the Warrants will expire on the 30th day after the date on which such notice is given by the Company. The syndicate of underwriters was led by TD Securities Inc. and included Macquarie Capital Markets Canada Ltd. and Stifel Nicolaus Canada Inc. (collectively, the “Underwriters”).

A total of 13,900,000 Units were issued at a price of \$3.60 per Unit for aggregate gross proceeds to Macarthur Minerals of \$50,040,000, which includes the exercise by the Underwriters of an over-allotment option to purchase an additional 1,400,000 Units. Pursuant to the terms of an underwriting agreement dated effective February 24, 2011 between the Company and the Underwriters, the Underwriters received a cash commission equal to 6% of the gross proceeds raised and non-transferable options to acquire Units exercisable at a price of \$3.60 per Unit in the amount equal to 6% of the number of Units issued for a period of 24 months from the date hereof. The securities issued with respect to the Offering will be subject to a four month hold period in accordance with applicable Canadian securities laws.

The net proceeds from the Offering will be used to fund development of the Company’s Lake Giles project in Western Australia and for general corporate purposes.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”) or any state securities laws and may not be offered or sold within the United States or to or for the account or benefit of U.S. Persons unless an exemption from such registration is available.

ABOUT MACARTHUR MINERALS LIMITED (TSX-V: MMS)

Macarthur Minerals Limited is a Perth, Australia based resource development company 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.

Corporate Relations

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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 include but are not limited to, the use of proceeds from the Offering and 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. The term "ore" in DSO is not meant to imply economic viability has been established. 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 ore or 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.

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