

NEWS RELEASE
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For Immediate Dissemination

Macarthur Commissions Magnetite Scoping Study and Hematite Pre-Feasibility Study.

VANCOUVER, BRITISH COLUMBIA – (Marketwire – August 18, 2010), Macarthur Minerals Limited (MMS – TSXV) (“the Company”) is pleased to announce that it has engaged Engenium Pty Ltd to undertake its study program for 2010.

This study program is to compose of;

1. A Scoping Study for the significant magnetite resource already delineated at the Lake Giles project in Western Australia; and
2. A Pre-feasibility Study (PFS) for a proposed 2 million tonnes per annum of Direct Shipping Ore (DSO) from the Lake Giles project in Western Australia.

The engagement of these projects advances Macarthur Minerals’ strategy to one of commencing small scale DSO mining, subject to a positive PFS.

The Scoping Study for the magnetite resource at the Lake Giles project’s ‘Moonshine’ region conceptually target the production of 10 million tonnes per annum of high grade 65%+ iron concentrate. This Scoping Study is scheduled to be completed in September 2010.

The PFS will focus on the hematite goethite iron resource delineated at the ‘Moonshine’ and adjacent ‘Banjo’ regions of the Lake Giles project. MMS has commissioned extensive metallurgical sampling to gain a better understanding of the iron ore characteristics and associated impurity levels of these resources.

The PFS for the Lake Giles DSO project will investigate all aspects of the proposed mining operations from the mining of the ore through to the loading of ore onto ships, and is expected to be completed in Q4 2010.

This study will also outline the road, rail and port opportunities in Western Australia necessary to support these mining activities. Investigation to date indicates port infrastructure plans, from both the private and public sector, are in place which would be suitable to support the Lake Giles program, and that the infrastructure may be in place within 3 to 5 years

Macarthur Minerals has commissioned the project delivery company Engenium to advance the development of its Lake Giles iron ore project located in Western Australia.

Engenium recently managed the metallurgical test work on behalf of Macarthur Minerals to determine the processing techniques required to further upgrade the ore prior to export. Perth-based Engenium is experienced in developing emerging hematite and magnetite projects, having completed projects with established producers throughout Australia.

“Our reputation for helping explorers turn into mining companies is growing,” said Mr Begley, Engenium’s Managing Director. “The team has built a good track record in working with juniors to fast track their DSO projects into production. In most cases, our clients want to generate cash-flow as soon as possible and we help them work out the best way to deliver that objective. Usually this is from the concept stage through to handing over an operating mine.”

Engenium’s credentials for the iron ore corporate sector including Atlas Iron, BC Iron, Golden West Resources, Brockman Resources, Centrex Metals and numerous upcoming juniors looking to develop new mines across Australia.

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.

Further information on Macarthur Minerals Limited and technical reports on the Lake Giles project can be found on the company’s website www.macarthurminerals.com or www.sedar.com

On behalf of the Board of Directors,
MACARTHUR MINERALS LIMITED

“Alan Phillips”

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