



For Immediate Dissemination
May 20, 2008

TSXV-MMS
NR2008-9

LAKE GILES IRON ORE PROJECT UPDATE

Vancouver, BC - Macarthur Minerals Limited (TSXV-MMS) today announced that it expected to provide an update on the resource at its \$C110 million Lake Giles magnetite iron ore project in Western Australia next month following the conclusion of a drilling program focused on the area known as Clark Hill.

Hellman & Schofield Pty Ltd, the consulting Geologist who provided the original NI 43-101 compliant resource estimate in August 2007 of 82.5 million tonnes of magnetite iron ore, has commenced work on this report, which will also be NI 43-101 compliant.

Upon delineation of a 500 million tonne in-situ resource, joint venture partner LPD Holdings (Australia) Pty Ltd has an option to acquire a further 50 per cent of the Lake Giles Project for \$C100 million. After acquiring this 50%, LPD would hold an 80% interest in the project with Macarthur Minerals retaining a free-carried 20 percent interest.

Macarthur Minerals remains committed to distributing the majority of a total potential \$C100 million investment by LPD (after income tax), to Shareholders as a special dividend. The due date for LPD to purchase its additional interest is 30th September 2008.

Recently, a 55-day gravity survey has been completed by Haines Survey Pty Ltd and is currently being interpreted by Southern Geosciences to generate further drilling targets in the southern area of the tenement holding. Drill pad construction will start this week in the Deep South Area (previously untested) with drilling anticipated to commence in June 2008.

The Stage 5 drilling program has focused on the Sandalwood Project area and drilling in this location is expected to be completed by mid June 2008.

The Company is also pleased to announce that it has acquired the services of Mr.Keith Fox BSc (Hons) MAusIMM, MIMMM, CEng, MAIG who brings with him an intimate knowledge of the Lake Giles tenements. Mr Fox will assist our geological team to advance the project at a speed necessary to satisfy the terms of the LPD agreement.

The Company has now expanded its drilling and exploration program and is now outlaying \$400,000-\$500,000 per month, which is expected to continue for this field season. The Company is well funded with approximately \$12 million available cash for exploration and development.

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Qualified Person

Mr. Nick Revell, BSc, a member of AusIMM, and a Company director, 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

"David K. Barwick"

David K. Barwick, President, Chairman & CEO

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This news release contains "forward-looking statements" regarding ongoing and upcoming exploration work and anticipated resource estimates. Actual results could differ from those projected in any forward-looking statements due to numerous factors. Such factors include, among others, the inherent uncertainties associated with mineral exploration and development stage exploration companies. Although management believes that statements contained in this press release are reasonable, actual results may differ materially from those anticipated in these statements.

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