



For Immediate Dissemination
August 4, 2006

TSXV: MMS
NR2006-13

**Macarthur Minerals Proposes to Raise CAD \$1,000,000
to advance exploration at Lake Giles, Western Australia**

Vancouver, B.C. – Macarthur Minerals Limited (TSXV – MMS) (the "Company") is pleased to announce it is proposing to raise CAN\$1,000,000 by way of the issuance of convertible notes to MDA Capital Pty Ltd, the Company's substantial shareholder.

In accordance with the requirements of Australian law, the convertible notes are convertible to common shares of the Company at the option of the Company upon receipt of Company shareholder approval, which is intended to be sought at the Company's next annual meeting. The notes are convertible at a price of \$0.68 per note and expire on December 31, 2006. If the Company's shareholders do not approve the conversion of the notes, the principal amount of the notes is repayable with interest at a rate of 8%.

The financing is subject to TSX Venture Exchange approval. The notes will be subject to a 4-month hold period from the date of issuance.

The proceeds received from the placement of the convertible notes will be used to fund the second stage of the drilling program on the Company's Lake Giles property and for general working capital purposes.

On behalf of the Board of Directors,

MACARTHUR MINERALS LIMITED

"David K. Barwick"

David K. Barwick
President, Chairman & CEO

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