



For Immediate Dissemination
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MACARTHUR MINERALS SECURES NON-REFUNDABLE DEPOSIT AFTER SATISFYING PRE CONDITIONS OF HEADS OF AGREEMENT

Vancouver, BC - Macarthur Minerals Limited (TSXV-MMS) today announced LPD Holdings (Aust) Pty Ltd had released a C\$1 million non-refundable deposit to the Company as part of a C\$110 million deal to develop the Lake Giles magnetite iron ore and base metals project in the prospective Yilgarn region of Western Australia.

Chairman and Chief Executive David Barwick said the payment represented a significant milestone for the Lake Giles project and that Macarthur Minerals had now satisfied all pre conditions of the Heads of Agreement with LPD Holdings. Macarthur Minerals will apply 85 per cent of the C\$1 million deposit, together with C\$2.8 million raised from a recent Private Placement, to expand the company's current RC drilling and exploration program.

By the end of February the Company will have completed 90 holes at the Lake Giles project for 14,500m of RC drilling.

"Beyond this, Macarthur Minerals intends to proceed immediately to Stage 5 of our drilling program which will involve targeting a large untested area, known as Sandlewood, where 27 new drill sites have been prepared," Mr Barwick said. "After two years of exploration effort, approximately 10% of the project's 1155km² area has been explored and we're excited by the potential to add to the resource that has already been identified."

An additional eight-man camp has been established to enable the Company to bring in a contract exploration specialist to conduct a ground magnetic survey and a second specialist to undertake a geological mapping program. The objective of this detailed work program is to identify additional drill targets.

The Company has commissioned Hellman and Schofield to prepare a second resource estimate using data from the current Stage 4 drilling program. Hellman and Schofield completed its first NI43-101 compliant resource estimate of 82.5 million tonnes @ 24.6% Fe for 18.48 million tonnes of 63.1% Fe on September 18, 2007 (see TSX-V release).

The Heads of Agreement with LPD Holdings, to assist in the development of Lake Giles, was announced in November last year and is potentially worth C\$110 million. The agreement could result in LPD Holdings acquiring an 80 per cent interest in the project.

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The next major milestones are metallurgical test work currently being conducted in China and the payment by LPD Holdings of a further C\$9 million to acquire a 30 percent interest in the iron ore project. The due date for this decision is March 30, 2008 however due to bad climatic conditions in China a small extension to complete test work on a bulk sample may be required.

For further information please phone David Barwick on 0488 700745

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