

NEWS RELEASE
October 22, 2012

Symbol: MMS: TSX, OTCQX: MMSDF
For Immediate Dissemination

MACARTHUR MINERALS APPOINTS BROOKFIELD FINANCIAL AUSTRALIA SECURITIES LIMITED AS FINANCIAL ADVISOR FOR ITS IRON ORE PROJECT IN WESTERN AUSTRALIA

Macarthur Minerals Limited (TSX: MMS, OTCQX: MMSDF) (the “Company” or “Macarthur”) is pleased to announce that it has appointed Brookfield Financial Australia Securities Limited (“Brookfield Financial”) as Financial Advisor to advance the development of its iron ore projects in Western Australia.

Under the arrangement, Brookfield Financial will perform a range of services to assist Macarthur to achieve the following:

1. Port of Esperance Access

As announced previously on July 3, 2012, in addition to participating in the market sounding process, Macarthur will actively pursue with Brookfield Financial alternative strategies for access to port capacity.

2. Capital Raising

Equity and debt capital raising activities for its Ularring Hematite Project and Moonshine Magnetite Project. This includes negotiating with offtake parties to support capital raising activities.

3. Strategic Partnership

Secure strategic partners for its Ularring Hematite Project and Moonshine Magnetite Project. Brookfield Financial will assist Macarthur to negotiate construction solutions for rail loading facilities, haulage roads, camp-related and mine infrastructure.

Macarthur’s President, Chairman and CEO, Alan Phillips commented that, *“Macarthur is pleased to work with Brookfield Financial for the further development of its iron ore projects. Brookfield Financial has proven transaction execution skills and access to debt and capital providers”.*

ABOUT BROOKFIELD

Brookfield Financial is a global investment bank with expertise in real assets, particularly property, power and infrastructure. Brookfield Financial’s parent company is Brookfield Asset Management Inc., (“Brookfield”). Brookfield is a global asset manager with over US\$150 billion of assets under management.

ABOUT MACARTHUR MINERALS LIMITED (TSX: MMS, OTCQX: MMSDF)

Macarthur Minerals Limited is an Australian based resource development company currently focused on developing its Ularring Hematite Project, located in the Yilgarn iron ore district in Western Australia. The Ularring Hematite Project is located 110 km from rail infrastructure with a direct connection to the iron ore exporting Port of Esperance, Western Australia.

The Ularring Hematite Project has an indicated Mineral Resource of 54.46 Mt at 47.2% Fe and an inferred Mineral Resource of 25.99 Mt at 45.4% Fe (press release dated August 16, 2012; NI43-101 Technical Report dated September 27, 2012). In addition, Macarthur’s Moonshine Magnetite Project has an inferred Mineral Resource of 1.3 Bt at 30.1% Fe (press release dated December 15, 2010; NI43-101 Technical Report dated March 25, 2011).



A Positive Preliminary Feasibility Study was released to the market on the Ularring Hematite Project in August 2012, which included a probable Mineral Reserve of 42.95 Mt at 47% Fe (press release dated August 16, 2012; NI43-101 Technical Report dated September 27, 2012). A Positive Preliminary Economic Assessment on the Moonshine Magnetite Project was released in February 2011 (press release dated February 7, 2011, Technical Report dated March 25, 2011).

On behalf of the Board of Directors,
MACARTHUR MINERALS LIMITED

"Alan Phillips"

Alan Phillips, President, Chairman & CEO

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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 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. 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 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.