

NEWS RELEASE
November 26, 2012

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

LEGAL PROCEEDINGS: FURTHER UPDATE

Macarthur Minerals Limited (TSX: MMS, OTCQX: MMSDF) (the “Company” or “Macarthur”) provides an update regarding legal proceedings commenced by LPD Holdings (Aust) Pty Ltd (“**LPD**”) and Mayson Associates Limited (“**Mayson**”) against the Company, certain directors and officers of the Company, and Jaldale Pty Ltd in July 2012 (“**July Proceedings**”), the subject of previous announcements dated July 20, 2012 and August 24, 2012.

On November 21, 2012 the Supreme Court of Queensland heard applications to strike-out the July Proceedings by the Company and those directors and officers of the Company named as respondents (“**Respondent Officers**”). The Court ordered, among other things, that the July Proceedings be dismissed due to what her Honour described as a “fatal defect”, namely that neither LPD nor Mayson were registered shareholders of the Company at the date the July Proceedings were commenced. The Company and the Respondent Officers sought their costs of the July Proceedings on the indemnity basis and the matter has been adjourned to allow the parties to make further written submissions in that regard.

After commencing the July Proceedings, LPD has re-registered as a shareholder of the Company and the Company has now been served with new proceedings commenced by LPD on November 20, 2012 (“**New Proceedings**”). The New Proceedings are similar to the July Proceedings but do differ in some material respects. In particular, the claims against Jaldale Pty Ltd and the officers of the Company, David Taplin and Joe Phillips, have been dropped and certain grounds for relief have also been abandoned. In addition, Mayson is not an applicant in the New Proceedings. LPD is yet to file a Statement of Claim in respect of the New Proceedings, but is expected to do so in early December 2012.

The Company is of the view that, as with the July Proceedings, the New Proceedings are without merit. The Company intends to vigorously defend the New Proceedings.

The Company will consider seeking security for costs from LPD in relation to the New Proceedings. LPD consented to providing security for costs in the July Proceedings.

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"

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