

**NEWS RELEASE**  
August 24, 2012

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

## **MACARTHUR MINERALS LEGAL PROCEEDINGS UPDATE**

**Macarthur Minerals Limited (TSX: MMS, OTCQX: MMSDF)** (the “Company” or “Macarthur”) refers to its announcement dated July 20, 2012 and provides the following update in relation to the proceedings (“Proceedings”) commenced by LPD Holdings (Aust) Pty Ltd (“LPD”) and Mayson Associates Limited (“Mayson”).

On August 9, 2012 the Company filed an Application to strike-out parts of the Proceedings (“Strike-out Application”). The Strike-out Application was heard by the Supreme Court of Queensland in Brisbane on August 23, 2012.

In agreeing to adjourn the Strike-out Application, LPD and Mayson conceded that there are defects with the current form of the Court documents which they need to amend. They are to deliver a proposed amended Originating Application and a proposed amended Statement of Claim by 4:00pm (AEST) on 7 September 2012. Upon receipt of those amended Court documents the Company and its directors (under advice) will determine whether to consent to those documents being filed or whether defects remain which they consider should be struck out.

Following submissions made by all parties, LPD and Mayson were also ordered to pay each of the Respondents’ costs thrown away by the adjournment of the Proceedings. These include the costs of the Company as well as the directors and officers who are respondents to the Proceedings.

The Company remains of the view that the Proceedings are without merit and will continue to vigorously defend the 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 (including a probable Mineral Reserve of 42.95 Mt at 47% Fe) and an inferred Mineral Resource of 25.99 Mt at 45.4% Fe (press release dated June 14, 2012; NI43-101 Technical Report dated June 29, 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 (press release dated August 16, 2012; Technical Report to be filed by September 30, 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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