

ASX ANNOUNCEMENT**ASX Code: MMX**

24 February 2009

CROSSLANDS RESOURCES PRESENTATION: JACK HILLS IRON ORE PROJECT

Murchison Metals Limited advises that Stuart Hall, Chief Executive Officer of Crosslands Resources Limited ("Crosslands"), today delivered the attached presentation on the Jack Hills Iron Ore project at the Mining the Mid-West Conference in Perth.

The Jack Hills project is operated by Crosslands, owned 50% by Murchison and 50% by Mitsubishi Development Pty Ltd ("Mitsubishi"), a subsidiary of Mitsubishi Corporation of Japan.

As announced on 4 February 2009, the total Mineral Resources at the Jack Hills project now exceed 1 billion tonnes, comprising Direct Ship Ore resources totaling 96Mt @ 58.7% Fe and Beneficiation Feed Ore resources totaling 991Mt @ 34.1% Fe. Crosslands anticipates further resource increases as results from an extensive drilling programme are received.

This significant upgrade of the Jack Hills Mineral Resource has confirmed the world-class status of the project, where plans are well advanced for a Stage 2 mine expansion that will make it the premier large-scale, long-life iron ore producer in the mid-west region of Western Australia.

Murchison also anticipates Oakajee Port+Rail (OPR) executing a Development Agreement for the Oakajee port and infrastructure project with the WA Government during the current quarter. Murchison and Mitsubishi each hold a 50% interest in OPR, which was selected by the WA Government as its sole preferred proponent for the Oakajee port development in July 2008.

Execution of the Development Agreement is a key milestone that provides regulatory certainty for the development of the Oakajee infrastructure project, and the Jack Hills Stage 2 expansion.

Murchison is also evaluating the potential for a second iron ore production base at its wholly-owned Rocklea iron ore project in the Pilbara, for which the Company announced a maiden JORC resource of 100Mt grading 59% CaFe (calcined iron) in February 2009, just 10 months after acquiring the tenements.

Murchison is extremely pleased with ongoing progress at its core iron ore and infrastructure assets in Western Australia, which provide the Company with a world-class platform on which to build shareholder wealth.

Murchison is in an excellent financial position to pursue quality growth opportunities created by the current market conditions, with no debt and cash reserves of approximately \$154.9 million.

For further information, please contact:

Paul Kopekka
Executive Chairman
Murchison Metals Ltd
+61 8 9492 2600

John McGlue
Director
FD Thirdperson
+618 9386 1233

About Murchison

Murchison is an Australian ASX-listed company and is included in the S&P/ASX 200 Index.

Murchison is a 50% shareholder in Crosslands Resources Ltd (“Crosslands”) which is the owner of the Jack Hills iron ore project located in the mid-west region of Western Australia. The remaining 50% of Crosslands is held by Mitsubishi Development Pty Ltd (“Mitsubishi”), a subsidiary of Mitsubishi Corporation, Japan’s largest general trading company.

In addition, Murchison has a 50% economic interest in independent infrastructure business, Oakajee Port and Rail (OPR). The remaining 50% economic interest in OPR is held by Mitsubishi.

In July 2008, OPR was selected by the WA Government as its preferred tenderer to develop the Oakajee deepwater port. OPR’s integrated port and rail development proposal will provide world class logistics services to miners (including Crosslands) and other potential customers in the mid-west region of WA.

Competent Persons’ Statement

The information in this announcement that relates to Mineral Resources of the Jack Hills Project is based on information compiled by Mr Chris Allen in his capacity as an employee of CSA Global Pty Ltd. Mr Allen is a Member of the Australasian Institute Geoscientists.

The information in this announcement that relates to Exploration Results and geological and mineralogical interpretations of the Mineral Resource estimate of the Jack Hills Project is based on information compiled by Mr Dean Wingfield. Mr Wingfield is a full time employee of Crosslands Resources Ltd and is a Member of the Australasian Institute of Mining & Metallurgy.

Both Mr Allen and Mr Wingfield have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as competent persons as defined in the 2004 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’.

The information in this announcement that relates to Exploration Results and Mineral Resources for the Rocklea Project is based on information compiled by Sean Gregory and John Johnson, who are both full time employees of Murchison. Mr Gregory is a Member of the Australasian Institute of Mining and Metallurgy and Mr Johnson is a Member of the Australian Institute of Geoscientists. Mr Gregory and Mr Johnson have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Mr Gregory and Mr Johnson consent to the inclusion in the announcement of the matters based on their information in the form and context in which it appears.



JACK HILLS IRON ORE MINE
MID-WEST REGION

Crosslands Resources

Stuart Hall, CEO
Mining the Mid West
24-26 February 2009

February 2009



Disclaimer and Competent Person's Statement

Disclaimer

This presentation contains forward looking statements concerning projects owned by Crosslands Resources Ltd. Statements concerning mineral resources and reserves may also be deemed to be forward looking statements in that they involve estimates based on specific assumptions.

Any statements, opinions, projections, forecasts or other material contained in this presentation do not constitute a commitment, representation or warranty by Crosslands or its directors, agents and employees who will in no way be liable to any person or body for any loss, claim, demand, damages, costs or expenses of whatsoever nature arising in any way out of, or in connection with, the information contained in this presentation.

This presentation includes certain statements, opinions, projections, forecasts and other material, which reflect various assumptions. The assumptions may or may not prove to be correct. Recipients of this presentation must make their own independent investigations, consideration and evaluation of the information. The recipient agrees that if it proceeds further with its investigations, consideration or evaluation of the agreement, it shall make and rely solely upon its own investigations and inquiries and will not in any way rely upon this presentation. It is recommended that you consult your professional advisor/s.

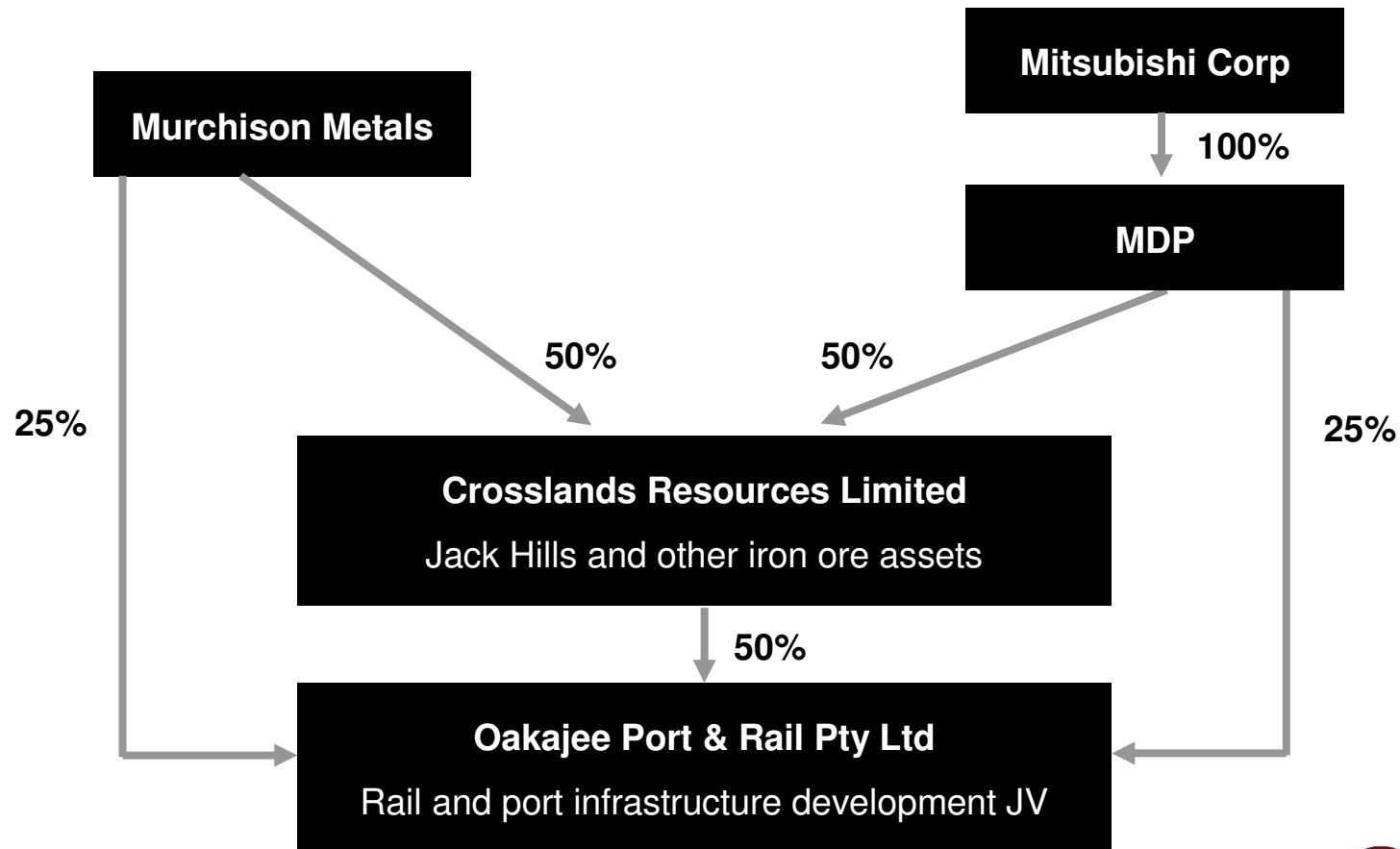
Competent Person's Statement

The information in this presentation that relates to Mineral Resources of the Jack Hills Project is based on information compiled by Mr Malcolm Titley in his capacity as a principal of CSA Global. Mr Titley is a Member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists.

The information in this presentation that relates to Exploration Results and geological and mineralogical interpretations of the Mineral Resource estimate of the Jack Hills Project is based on information compiled by Mr Dean Wingfield. Mr Wingfield is a full time employee of Crosslands Resources Ltd and is a Member of the Australasian Institute of Mining & Metallurgy.

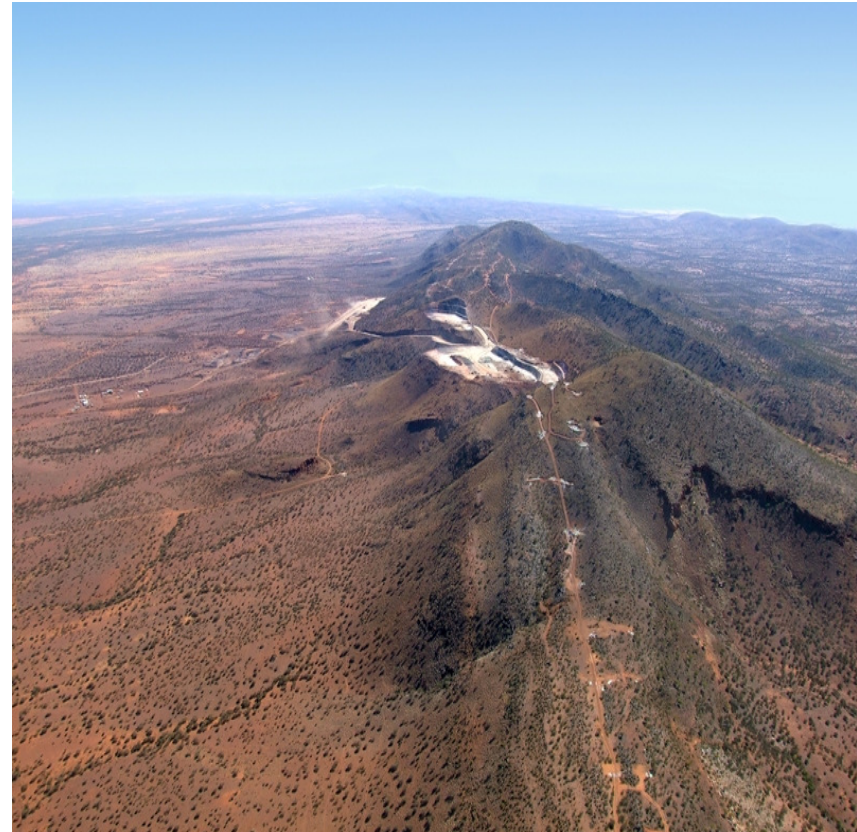
Both Mr Titley and Mr Wingfield have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as competent persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

Ownership



Strong Shareholders

- Mitsubishi
 - ✓ Finance
 - ✓ Marketing skills
- Murchison Metals
 - ✓ Mining experience
 - ✓ Extensive regional corporate relationships
 - ✓ Very positive community image



Jack Hills mine site

Operations Update February 2008

Growth

- ✓ Commenced mining
 - ✓ First shipment
 - ✓ One millionth tonne shipped
 - ✓ Two millionth tonne shipped
-
- Current production (Nov 08)
 - Anticipated production at Feb 09
 - Stage 1 operations capacity
-
- Stage 2 operations

Nov 06

Feb 07

Dec 07

Sept 08

1.5 mtpa

1.8 mtpa

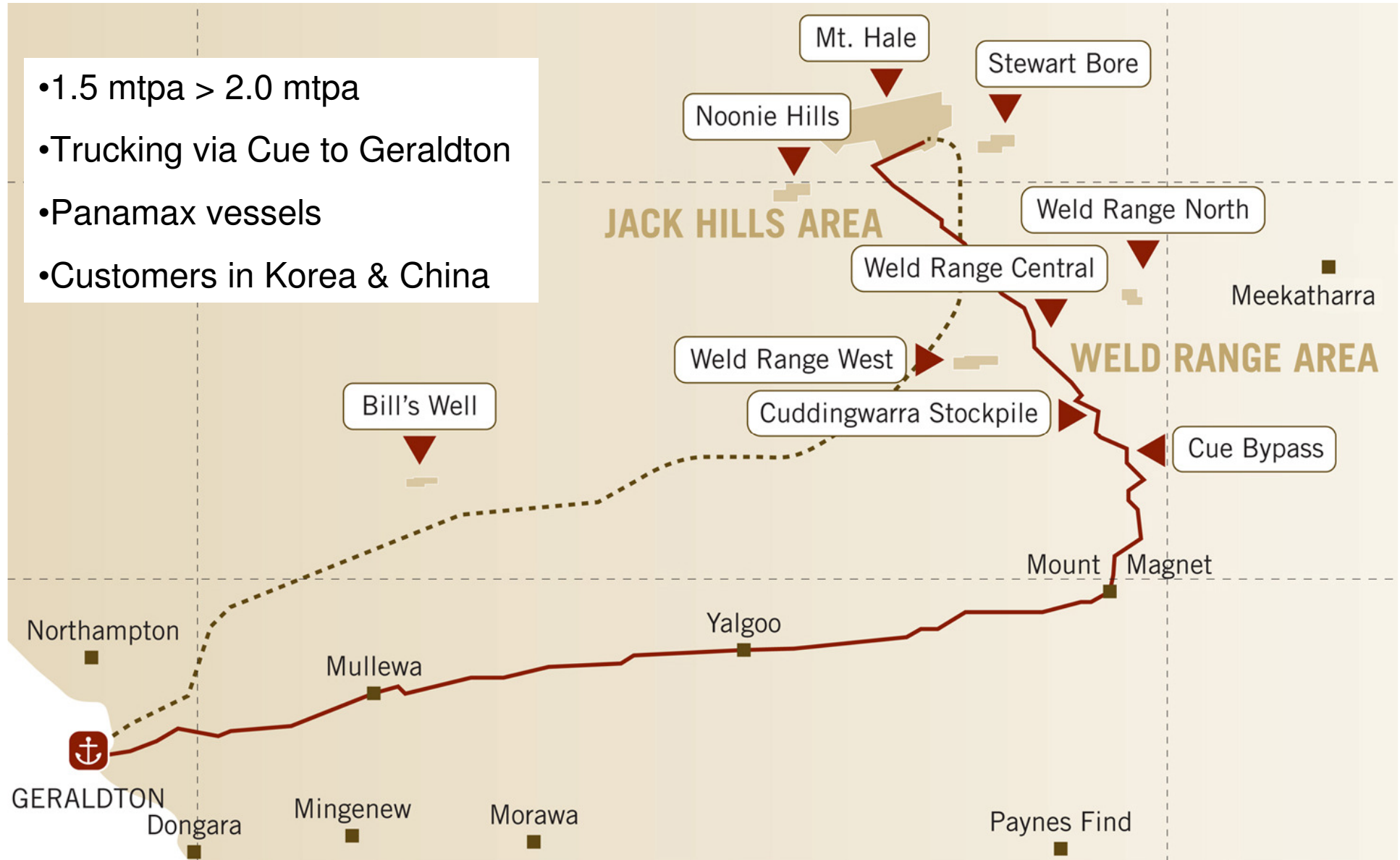
2.0 mtpa

**long term solution; rail and
Oakajee port, 2013**



Project Areas

- 1.5 mtpa > 2.0 mtpa
- Trucking via Cue to Geraldton
- Panamax vessels
- Customers in Korea & China



Existing Operator

- Existing operation
 - ✓ Understand the mine and geology
 - ✓ Dealing with real customers (in Korea and China)
 - ✓ Building operational knowledge in the business
 - ✓ Relationships with local community



Market Outlook

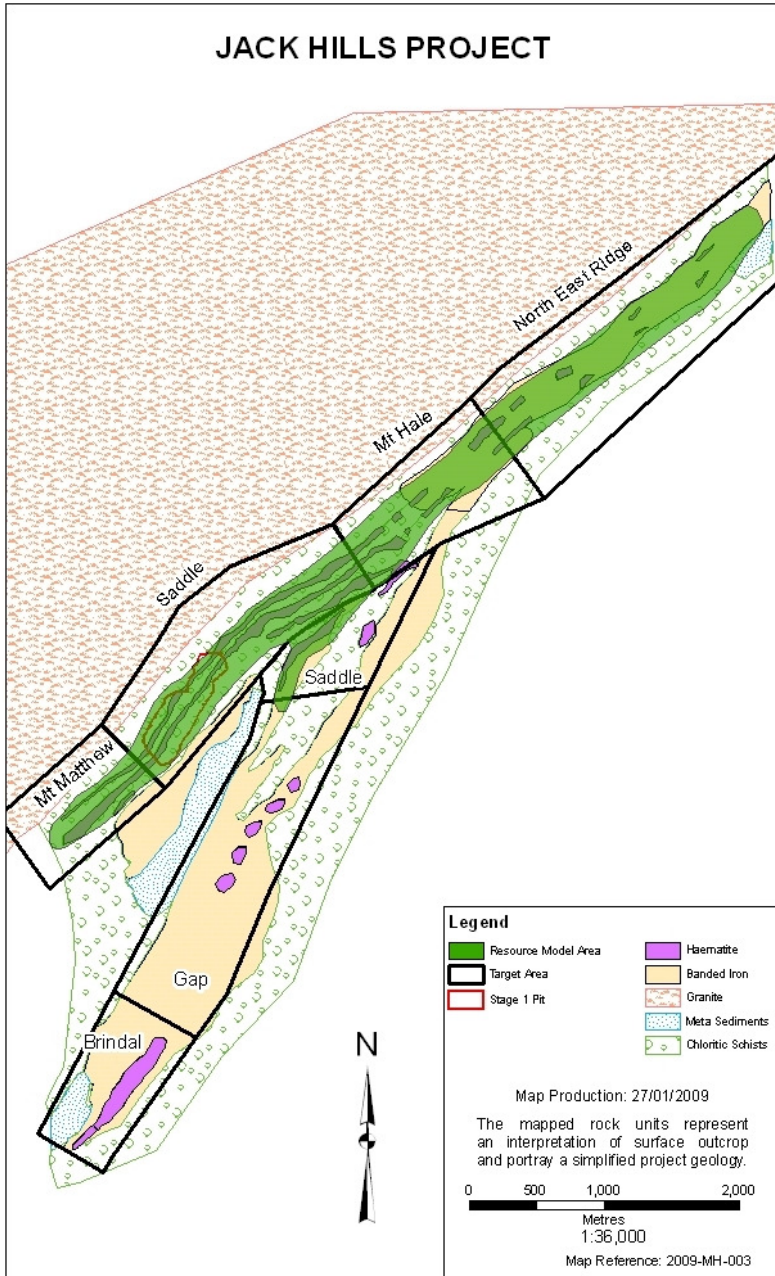
- Serious economic downturn worldwide
- China impacted
 - Steel production down 20%
 - Mills running down stocks
 - Spot prices down 40% in one month, 60% in three months
- Portfolio of first rate customers in Korea and China
- High quality ore
- Shipping continuity
- Price impact, partially offset by exchange rate
- Long term plans unchanged

February 2009 Ore Resources

At 50% Fe cut-off for DSO

	Measured Mt	Indicated Mt	Inferred Mt	Total Mt
DSO	26	52	18	96
Bene Feed	69	258	664	991

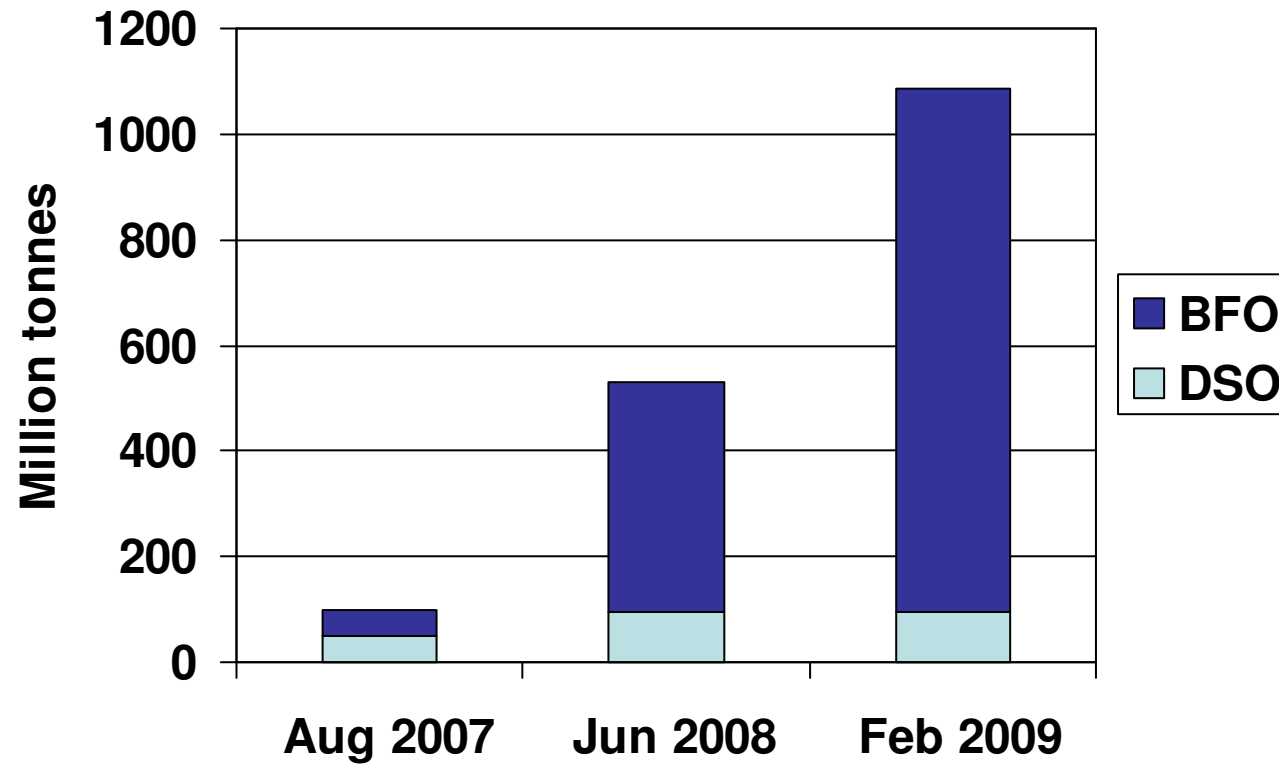
- Next resource update mid 2009
- Intensive drilling programme commenced



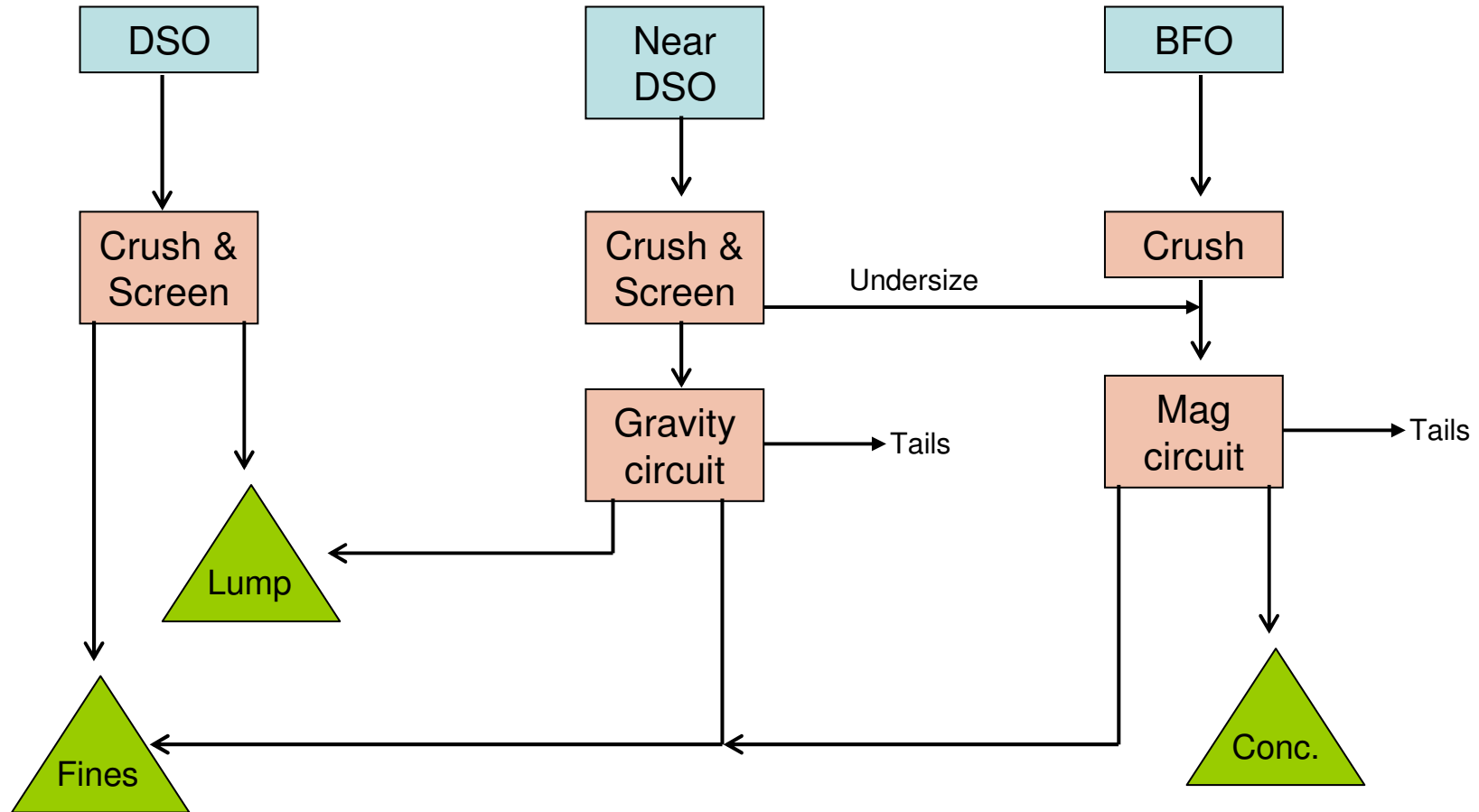
Resource upside

1. Extensional
2. At depth
3. Metallurgical

Resource Progression



Processing/Blending Options



Jack Hills Stage 2

- Resource definition continuing
- Study engineer appointed
- Preliminary pit designs
- Metallurgical test work on BFO and 'near DSO' extremely encouraging
- Multiple processing options available
- Shortlist for further study and refinement
- Strong technical marketing programme in place
- Keen market appetite

Stay in touch at www.crosslands.com.au

