

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as possible. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

Murchison Metals Limited (Murchison)

ABN

38 078 257 799

We (the entity) give ASX the following information

Part 1 – All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1 +Class of +securities issued or to be issued

Fully paid ordinary shares.

2 Number of +securities issued or to be issued (if known) or maximum number which may be issued

27,500

3 Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)

Fully paid ordinary shares issued on the same terms and conditions as existing quoted ordinary shares.

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<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	Yes																																					
<p>5 Issue price or consideration</p>	Exercise of 27,500 options at \$0.05 per share.																																					
<p>6 Purpose of the price (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	Exercise of 27,500 \$0.05 November 2009 options.																																					
<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>Exercise \$0.05 November 2009 options</p> <p>4 September 2009 27,500</p>																																					
<p>8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="724 1099 1083 1160">Number</th> <th data-bbox="1083 1099 1447 1160">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="724 1160 1083 1220">416,854,768</td> <td data-bbox="1083 1160 1447 1220">Fully paid ordinary shares</td> </tr> </tbody> </table>		Number	+Class	416,854,768	Fully paid ordinary shares																																
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<p>9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="724 1256 1083 1317">Number</th> <th data-bbox="1083 1256 1447 1317">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="724 1317 1083 1361">133,500</td> <td data-bbox="1083 1317 1447 1361">5c Options Nov 2009</td> </tr> <tr> <td data-bbox="724 1361 1083 1406">3,751,000</td> <td data-bbox="1083 1361 1447 1406">20c Options Nov 2009</td> </tr> <tr> <td data-bbox="724 1406 1083 1451">250,000</td> <td data-bbox="1083 1406 1447 1451">125c Options Nov 2009</td> </tr> <tr> <td data-bbox="724 1451 1083 1496">3,750,000</td> <td data-bbox="1083 1451 1447 1496">50c Options Dec 2009</td> </tr> <tr> <td data-bbox="724 1496 1083 1541">4,500,000</td> <td data-bbox="1083 1496 1447 1541">100c Options Dec 2009</td> </tr> <tr> <td data-bbox="724 1541 1083 1585">6,000,000</td> <td data-bbox="1083 1541 1447 1585">125c Options Dec 2009</td> </tr> <tr> <td data-bbox="724 1585 1083 1630">250,000</td> <td data-bbox="1083 1585 1447 1630">574c Options Jun 2010</td> </tr> <tr> <td data-bbox="724 1630 1083 1675">100,000</td> <td data-bbox="1083 1630 1447 1675">519c Options Nov 2010</td> </tr> <tr> <td data-bbox="724 1675 1083 1720">100,000</td> <td data-bbox="1083 1675 1447 1720">270c Options Jun 2011</td> </tr> <tr> <td data-bbox="724 1720 1083 1765">100,000</td> <td data-bbox="1083 1720 1447 1765">396c Options Jun 2011</td> </tr> <tr> <td data-bbox="724 1765 1083 1809">47,000</td> <td data-bbox="1083 1765 1447 1809">94c Options Aug 2011</td> </tr> <tr> <td data-bbox="724 1809 1083 1854">1,014,000</td> <td data-bbox="1083 1809 1447 1854">234c Options Aug 2011</td> </tr> <tr> <td data-bbox="724 1854 1083 1899">17,000</td> <td data-bbox="1083 1854 1447 1899">127c Options Sept 2011</td> </tr> <tr> <td data-bbox="724 1899 1083 1944">21,000</td> <td data-bbox="1083 1899 1447 1944">81c Options Oct 2011</td> </tr> <tr> <td data-bbox="724 1944 1083 1989">2,000</td> <td data-bbox="1083 1944 1447 1989">61c Options Feb 2012</td> </tr> <tr> <td data-bbox="724 1989 1083 2020">100,000</td> <td data-bbox="1083 1989 1447 2020">68c Options Jun 2012</td> </tr> <tr> <td data-bbox="724 2020 1083 2042">1,691,400</td> <td data-bbox="1083 2020 1447 2042">156c Options Jun 2012</td> </tr> </tbody> </table>		Number	+Class	133,500	5c Options Nov 2009	3,751,000	20c Options Nov 2009	250,000	125c Options Nov 2009	3,750,000	50c Options Dec 2009	4,500,000	100c Options Dec 2009	6,000,000	125c Options Dec 2009	250,000	574c Options Jun 2010	100,000	519c Options Nov 2010	100,000	270c Options Jun 2011	100,000	396c Options Jun 2011	47,000	94c Options Aug 2011	1,014,000	234c Options Aug 2011	17,000	127c Options Sept 2011	21,000	81c Options Oct 2011	2,000	61c Options Feb 2012	100,000	68c Options Jun 2012	1,691,400	156c Options Jun 2012
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10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

Not applicable.

Part 2 – Bonus issue or pro rata issue

11 Is security holder approval required?

12 Is the issue renounceable or non-renounceable?

13 Ratio in which the +securities will be offered

14 +Class of +securities to which the offer relates

15 +Record date to determine entitlements

16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?

17 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

18 Names of countries in which the entity has +security holders who will not be sent new issue documents

Note: Security holders must be told how their entitlements are to be dealt with.

Cross reference: rule 7.7.

19 Closing date for receipt of acceptances or renunciations

20	Names of any underwriters	
21	Amount of any underwriting fees or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	
25	If the issue is contingent on +security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	

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32 How do +security holders dispose of their entitlements (except by sale through a broker)?

33 +Despatch date

Part 3 – Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities

(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories

- 1 – 1,000
- 1,001 – 5,000
- 5,001 – 10,000
- 10,001 – 100,000
- 100,001 and over

37 A copy of any trust deed for the additional +securities

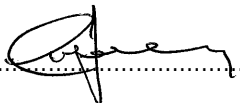
Entities that have ticked box 34(b)

<p>38 Number of securities for which +quotation is sought</p>					
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<p>40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 					
<p>41 Reason for request for quotation now <small>Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another security, clearly identify that other security)</small></p>					
<p>42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%; padding: 5px;">Number</th> <th style="width: 50%; padding: 5px;">+Class</th> </tr> </thead> <tbody> <tr> <td style="height: 80px;"></td> <td style="height: 80px;"></td> </tr> </tbody> </table>	Number	+Class		
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Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:  Date: 4 September 2009

Print name: Christopher William Foley
== == == == ==

4 September 2009

The Manager
Company Notices Section
Australian Stock Exchange Limited
Level 8, 2 The Esplanade
PERTH WA 6000

Dear Sir/Madam

Section 708A Notice

I refer to ASX Appendix 3B lodged by Murchison Metals Ltd ("Murchison") dated 4 September 2009 noting the issue of 27,500 fully paid ordinary shares ("the Shares").

In relation to the issue of the Shares, Murchison makes the following statements under section 708A of the Act:

- (a) The shares were issued without disclosure to investors under Part 6D.2 of the Act.
- (b) This notice is being given under paragraph 5(e) of section 708A of the Act.
- (c) As at the date of this notice, Murchison has complied with the provisions of Chapter 2M (to the extent that that Chapter applies to it) and section 674 of the Act.
- (d) There is no information which is required to be disclosed under section 708A(6)(e) of the Act.

Yours faithfully



CW Foley
Company Secretary
Murchison Metals Ltd

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