

ASX ANNOUNCEMENTASX Code: **MMX**

16 February 2010

OAKAJEE PORT AND RAIL CONFIRMS HIGH DEMAND FOR OAKAJEE PORT CAPACITY

Murchison Metals Limited ("Murchison") is pleased to announce that Oakajee Port & Rail (OPR) has received tonnage nominations for the new Oakajee Port in excess of the initial stage 1 capacity of 35 million tonnes per annum.

The tonnage nominations are a critical part of the feasibility studies for the port and the associated rail infrastructure.

Murchison and Mitsubishi Development Pty Ltd each own 50% of OPR.

Among the miners nominating tonnages for the new port is Crosslands Resources Limited, also 50% owned by each of Murchison and Mitsubishi.

Operations at Oakajee Port are due to commence in late 2013 / early 2014.

A copy of OPR's media announcement is attached.

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About Murchison

Murchison Metals Limited ("Murchison") is an Australian ASX listed company. Murchison 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.

Murchison also has a 50% economic interest in an independent infrastructure business, Oakajee Port and Rail ("OPR"). OPR was established to construct new port and rail infrastructure to provide logistics services to miners (including Crosslands) and other potential customers in the mid-west region of WA. The remaining 50% economic interest in OPR is held by Mitsubishi.

In addition to its investments in Crosslands, OPR and its Rocklea iron ore project (100% Murchison) located in the Pilbara, Murchison is actively exploring growth opportunities in iron ore, coal and manganese in accordance with its approved corporate strategy.

Tuesday 16 February 2010

OPR CONFIRMS HIGH DEMAND FOR OAKAJEE PORT CAPACITY

Oakajee Port & Rail (OPR) is pleased to announce that it has received nominations from mid-west miners in excess of the initial stage 1 capacity of 35 million tonnes per annum (mtpa) at the new Oakajee port.

The formal call for capacity nominations was undertaken by OPR as a critical element of feasibility studies, which are currently being undertaken for the Oakajee project.

OPR Chief Executive John Langoulant said it was pleasing to see the high level of demand.

“This takes the project to a new level of confidence in terms of economic viability, which is great news for the range of stakeholders who have given such outstanding support to the development of the Oakajee project.

“It also demonstrates that there is potential to expand the project beyond its initial stage 1 capacity.”

Mr Langoulant said the State and Federal Governments deserved great credit for their vision in supporting the project.

“OPR and the miners in the mid-west appreciate the efforts of the Premier and his Government as a whole, who have put their weight behind the Oakajee project,” he said.

“This is through direct financial assistance, supported by the Commonwealth, particularly for common user infrastructure, and through enormous assistance from many arms of the Government in facilitating and progressing this important and complex project.”

OPR is now conducting detailed analysis of the tonnage nominations – including assessments of timing, volumes and financial capacity – to determine the composition of the allocation of stage 1 export tonnages.

OPR has achieved all its target development milestones for 2009, on the path to final go-ahead. During 2010, OPR will focus on finalising supply chain agreements and the completion of feasibility studies. The project is tracking toward a project go-ahead decision and financial close. The port is due to commence operations in late 2013/early 2014.

A number of the miners have expressed an interest in port capacity at expansion stages 2 and beyond.

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