

**ASX ANNOUNCEMENT**

**ASX Code: MMX**

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## **OPR EXECUTES FOUNDATION CUSTOMER MOUS**

Murchison Metals Limited (Murchison) is pleased to announce that its 50% owned Oakajee Port & Rail (OPR) has entered into Memoranda of Understanding (MOUs) with each of the three selected potential foundation customers for its planned 45mtpa port and rail infrastructure project.

The MOUs, with Karara Mining Ltd (Karara), Sinosteel Midwest Corporation Ltd (Sinosteel Midwest) and Crosslands Resources Ltd (Crosslands), establish a framework for the negotiation of capacity allocation and tariff charges, as well as a process of confirmatory due diligence by each of the parties.

OPR is jointly owned by Murchison and Mitsubishi Development Pty Ltd.

Karara is a joint venture between Gindalbie Metals Ltd and Chinese steel producer Ansteel, and is developer of the Karara Iron Ore Project.

Sinosteel Midwest is a wholly owned subsidiary of Beijing based Sinosteel Corporation and is developer of the Weld Range iron ore project.

Crosslands is jointly owned by Murchison and Mitsubishi Development Pty Ltd, and is the owner and operator of the Jack Hills iron ore project.

Murchison Executive Chairman Paul Kopejtko said the MOUs represent a significant milestone for the developing mid-west iron ore industry.

“These agreements with the foundation customers demonstrate their support for the infrastructure projects and represent an important step in the development of the mid-west region as Australia’s newest iron ore province”, said Mr Kopejtko.

“Setting the principles for negotiating supply chain agreements will bring OPR another step closer to delivering an integrated infrastructure service to mid-west miners.”

Gindalbie Chief Executive Officer, Garret Dixon, said the MOU represented an important step forward in allowing Karara to reach its full production potential.

“The development of OPR’s port and rail infrastructure will open up additional opportunity for Karara to maximise project potential and we are very keen to see the infrastructure developed as soon as possible,” said Mr Dixon.

Sinosteel Midwest Managing Director, Tony Cheng, said the MOU was a significant milestone for the company and for the development of the mid-west iron ore province.

“The port and rail infrastructure is our pathway to market and we are keen to see this developed as a matter of priority,” said Mr Cheng.

OPR is due to complete the Bankable Feasibility Study for the project in the December quarter, with first shipments from Oakajee in 2014.

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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 and OPR, Murchison owns the Rocklea iron ore project in the Pilbara region of WA.

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