

ASX ANNOUNCEMENT

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**EXTENSION OF STATE DEVELOPMENT AGREEMENT FOR  
OAKAJEE INFRASTRUCTURE PROJECT**

Murchison Metals Limited (“Murchison”) is pleased to advise that the Government of Western Australia and the Oakajee Port & Rail (“OPR”) Joint Venture Participants have executed documentation for the extension of the State Development Agreement (“SDA”) for the Oakajee port and rail infrastructure project.

As previously announced, the date specified in the SDA for completing detailed Implementation Agreements for the infrastructure project has been extended from 31 March 2011 to 31 December 2011.

The Oakajee infrastructure project involves construction of a multi-user deepwater iron ore port with an initial capacity of 45 million tonnes per annum at the greenfields Oakajee site, 25km north of Geraldton, and associated heavy haulage rail infrastructure serving the mid-west region of WA.

Murchison and Mitsubishi Development Pty Ltd each hold a 50% economic interest in OPR.

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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 located in the Pilbara region of Western Australia.