

ASX ANNOUNCEMENT

ASX Code: MMX

28 December 2012

ANNOUNCEMENT OF EQUAL ACCESS BUY-BACK

The Board of Murchison Metals Ltd (the **Company**) has completed its review of potential capital management options, and intends to put forward for shareholder approval an off-market equal access share buy-back.

The Board anticipates the price at which shares will be bought back will be in the range of 4.0 cents to 4.2 cents per share.

The Board believes the proposed buy-back offers shareholders a choice between exiting their investments in the Company and retaining their shares. Details of the proposed buy-back and information allowing shareholders to consider their options will be contained in an explanatory memorandum that is being prepared for general meeting of shareholders that will be convened as soon as practicable after 20 February 2013.

Mercantile Investment Company Ltd has indicated, subject to the final terms of the proposed buy-back, that it is unlikely to tender any shares into the buy-back.

POSCO Australia Pty Ltd advises that it has yet to form a view on the proposed buy-back as it must follow its internal review and approval processes before making such a decision.

-ENDS-

For further information, please contact:

Gabriel Radzynski
Non-Executive Director
Murchison Metals Ltd
Ph 02 8014 1188