



Level 11, 139 Macquarie Street,
Sydney, NSW, 2000

ASX ANNOUNCEMENT

ASX Code: MMX

16 August 2013

Murchison Metals Ltd (the "Company")

Chairman's Address

Extraordinary General Meeting of Shareholders
Friday 16 August 2013 at 10.00 am
History House, 133 Macquarie Street, Sydney, NSW

Please find attached address that will be delivered to shareholders at the Company's Extraordinary General Meeting to be held today.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Mark Licciardo', written over a light grey rectangular background.

Mark Licciardo
Company Secretary



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Good morning ladies and gentlemen.

Welcome to this Extraordinary General Meeting of Murchison Metals Ltd. My name is Paul Jensen, I am the Independent Non-Executive Director of the Company and also Chairman of today's meeting.

Let me introduce the Directors of the Company: Gabriel Radzyski, Non-Executive Director and SC Shin, Non-Executive Director. In addition to the Board I also like to introduce the Company Secretary, Mark Licciardo.

Mr Andrew Lumsden is present from Corrs Chambers Westgarth, the Company's legal advisors.

I table the Notice of Meeting and Shareholder Booklet which was mailed to all shareholders and is taken as read; and as a quorum, being a minimum of two shareholders, is present (in person or by proxy), I declare the meeting open.

On 28 December 2012, Murchison announced its intention to put forward for shareholder approval an equal access off-market share Buy-Back (**Buy-Back**).

The announcement of the Buy-Back is consistent with the current Board's intention to offer shareholders a choice between exiting their investment in the Company at a price higher than that proposed by the previous Board under its liquidation plan and retaining their shares in the Company.

The Buy-Back

The Buy-Back will facilitate a sell-down by shareholders who wish to realise or rebalance their investment in the Company at 4.2 cents per share.

Mercantile Investments Ltd is the Company's largest shareholder. It has confirmed to the board that while it will vote in favour of the Buy-Back Resolution, it will not participate in the Buy-Back.

The Buy-Back price is above the price range of 3.5 to 4.0 cents per share under the previous Board's liquidation plan. The liquidation of the company would have applied to all shareholders, irrespective of whether they supported liquidation or not.

The 4.2 cents is also above the volume weighted average price of shares prior to the announcement of the Buy-Back price on 28 December 2012 and the release of the Buy-Back documentation.

Shareholders will be given the opportunity to vote on the Buy-Back at today's meeting. The details of the Buy-Back along with the offer to participate in the Buy-Back are contained in the documentation provided to all shareholders prior to this morning's meeting.

I draw your attention to the following points:

- That although a shareholder may approve the Buy-Back, they are not obliged to participate in the Buy-Back;
- Should the Buy-Back be approved, it will provide shareholders with the choice to retain, sell or re-balance their shareholding in Murchison; and
- The Buy-Back price of 4.2 cents per share is above the high end of the range of potential outcomes that were available under the previous Board's liquidation plan.



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Accordingly, as the Independent Director I recommend that you vote in favour of and approve the Resolution for the Company to undertake an off market equal access Buy-Back for the company's shares at 4.2 cents per share.

Although I recommend that shareholders vote in favour of and approve the Buy-Back Resolution, **I do not make any recommendation** to shareholders as to whether they should accept the offer for their shares under the Buy-Back.

I will now turn to the business of today's meeting.

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Ladies and gentleman, that concludes today's meeting. Once again thank you for your attendance.

The meeting is closed.

-ENDS-

For further information, please contact:

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