



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

ASX ANNOUNCEMENT

ASX Code: MMX

31 January 2014

Annual General Meeting Address

Murchison Metals Ltd

Dear Sir/Madam,

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

-ENDS-

For further information, please contact:

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

Chairman's Address - AGM

Equal Access Buy Back

Over prior periods the company has returned all but approximately \$13.8m of the company's capital to shareholders. One of the consequences of this has been that a significant number of the Company's shareholders are holding 'unmarketable parcels' of Murchison Metals Ltd shares. The ASX defines unmarketable parcels as shareholding that have a value less than \$500.

Although these shares can be traded on the ASX, in many cases the brokerage cost selling these shares can often be more than the value of the shares.

In late 2013 the board provided to Murchison Metals Limited shareholders an opportunity to exit their investment at a price above the earlier proposed wind-up proposal. The equal access buy back was made possible by Murchison Metals Ltd's largest shareholder Mercantile Investment Company Limited (ASX:MVT) agreeing not to participate in the buy-back.

The board had anticipated that shareholders with 'unmarketable parcels' of shares would participate in the buy-back. Far fewer shareholders availed themselves of this opportunity than was expected.

Unmarketable Parcel Share Sale Facility

In December 2013, the Company announced an unmarketable parcel share sale facility, which would provide those shareholders with another means by which to dispose of their shares without incurring brokerage. This facility is due to close on 12 February.

There is a substantial cost to the Company in maintaining the shareholder registry and communications, in many instances the cost is greater than the value of the shares held. This is clearly an uneconomic and unsustainable proposition.

Once the outcome of this facility is known, the Board will be in a position to determine what the most appropriate next steps for the Company might be.