

ASX ANNOUNCEMENT**ASX Code: MMX**

10 July 2009

WORLEYPARSONS APPOINTED PROJECT MANAGER OF OAKAJEE PORT & RAIL PROJECT

Murchison Metals Limited (“Murchison”) welcomes the appointment of WorleyParsons as Project Management Study Contractor to the Oakajee Port and Rail Project.

Murchison has a 50% interest in Oakajee Port and Rail (OPR), the project developer.

Murchison Executive Chairman Paul Kopejtka said WorleyParsons would play a critical role in completing the project Bankable Feasibility Study (BFS) and in the design and engineering of both the port and rail components.

“WorleyParsons is recognised both nationally and globally as a leading project manager and we are delighted to have such a high quality group in this critical project role,” said Mr Kopejtka.

“WorleyParsons’ extensive experience in the design, engineering and costing of integrated infrastructure projects will allow for the timely completion of the BFS and provide a solid foundation for the development of the Oakajee port and associated rail network.

“As the Oakajee Port and Rail Project gains momentum and proceeds towards development, it will provide more certainty with respect to the port and rail infrastructure required for the Stage 2 expansion of the world class Jack Hills iron ore project owned by Crosslands Resources Ltd, which is also jointly owned by Murchison and Mitsubishi.”

Feasibility studies for both the Port and Rail Project and the Jack Hills expansion are on track for completion in 2010.

A full media statement issued by OPR is attached.

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About Murchison

Murchison is an Australian ASX-listed company and 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.

The Stage 1 Jack Hills project is currently producing up to 1.8 Mt of high grade iron ore per annum. Feasibility studies for a major Stage 2 expansion are well advanced.

In addition, Murchison has a 50% economic interest in independent infrastructure business, Oakajee Port and Rail (OPR). The remaining 50% economic interest in OPR is held by Mitsubishi. OPR’s integrated port and rail development proposal will provide world class logistics services to miners (including Crosslands) and other potential customers in the mid-west region of WA.

In addition to its investments in Crosslands, OPR and its Rocklea iron ore project (100% Murchison) located in the Pilbara, Murchison is actively exploring growth opportunities in iron ore, coal and manganese in accordance with its approved corporate strategy.

Friday 10 July 2009

Project Management Study Contract Appointment to Oakajee Port and Rail

Oakajee Port and Rail (OPR) is pleased to announce the appointment of WorleyParsons to fulfil the role of Project Management Study Contractor (PMSC) for the new Oakajee bulk commodity supply chain in Western Australia's mid-west.

WorleyParsons will conduct the budget and engineering study for OPR's Bankable Feasibility Study (BFS) including management of design and engineering, and capital and operating estimating for the deepwater port and associated heavy haulage rail network.

OPR Chief Executive Christopher Eves said WorleyParsons' appointment follows a detailed international and comprehensive tender process.

"The PMSC role is a critical one in framing the significant engineering, construction and logistics task ahead of us," Mr Eves said.

"WorleyParsons has extensive experience in project management services for integrated infrastructure projects, both locally and internationally.

"This has included major greenfields projects such as the Pilbara Iron Ore and Infrastructure project and other major works such as capacity upgrades to the Hunter Valley coal supply chain.

"The company's appointment will support the timely completion of the BFS and maintain our momentum in delivering this nationally significant project."

The OPR team will continue to perform core functions including project financing, customer and stakeholder liaison, business analysis, approvals, land tenure, Indigenous and community affairs.

Likewise, WorleyParsons will work with a number of engineering consultants who have been engaged by OPR including JFA Consultants, AECOM and Calibre Engenium.

A number of key OPR staff will co-locate with the joint OPR – WorleyParsons project management team, to ensure optimal leverage of the extensive planning and design work previously undertaken by OPR and coordination with OPR's executive management team.

OPR will continue to maintain a strong owner's team which will include Jim Netterfield and Alwyn Vorster, both of whom will commence with OPR in the coming weeks.



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MEDIA STATEMENT

Mr Netterfield, OPR Operations Director and Mr Vorster, OPR Director – Supply Chain, were recruited to oversee the efficient operation of the supply chain and the engagement of regional miners, respectively.

“With the appointment of the PMSC, as well as Jim and Alwyn, the Oakajee deepwater port and integrated rail network project is stepping up another level – and I am looking forward to progressing our studies with the strengthened group over the coming months,” Mr Eves said.

“This appointment represents a further major milestone and commitment to the early and successful implementation of the project.”

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