

ASX ANNOUNCEMENT

ASX Code: MMX

30 November 2011

JACK HILLS STAGE ONE OPERATIONS

Murchison Metals Ltd ("Murchison") advises that, as indicated previously, mining operations at Crosslands Resources' ("Crosslands") Jack Hills iron ore mine will cease in late December 2011 in accordance with the five year Stage 1 mine plan.

The final shipment of direct shipping ("DSO") lump and fines from the Jack Hills Stage 1 project is scheduled to occur in February 2012, and the mine will be placed on care and maintenance while Crosslands progresses planning for the Jack Hills Expansion Project.

The planned cessation of Stage 1 operations does not impact the proposed sale of Murchison's interests in Crosslands and Oakajee Port & Rail to Mitsubishi which was announced on 24 November 2011.

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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.