

20 March 2009

## OPR Signs State Development Agreement with Western Australian Government

Oakajee Port and Rail (OPR) is pleased to announce that it has signed the *State Development Agreement - Oakajee Port and Rail Project* with the Government of Western Australia for the construction of the multibillion dollar mid-west integrated bulk commodity supply chain.

Execution of the State Development Agreement is a critical milestone for the project, delivering certainty to both OPR and the State on the key arrangements underpinning its development.

It marks an historic day for the mid-west and for Western Australia, providing the springboard for the development of major iron ore mines, other resource projects in the region and underpinning the State Government's Oakajee Industrial Estate.

Murchison Metals Limited and Mitsubishi Development Pty Ltd (Mitsubishi), a subsidiary of Mitsubishi Corporation of Japan, each hold a 50% economic interest in OPR.

Jun Kinukawa, Executive Vice President, Mitsubishi Corporation said the project had international importance, unlocking the riches of a major but largely untapped mineral province.

"We have supported and played a key role in developing this outstanding project because of its economic importance and significance in the international marketplace, and we look forward to seeing the project develop quickly over the next several years," said Mr Kinukawa.

Mitsubishi and Murchison have, as shareholders of OPR, committed substantial funding to complete the next phase of the project, the bankable feasibility study, which is scheduled over the next 12 months.

Murchison Metals Executive Chairman Paul Kopejtka said the State Development Agreement was a triumph for the outstanding effort and commitment of those who had shared the vision of Oakajee and the development of the mid-west iron ore province over the past 5 years.

"This is a great day for OPR, for its shareholders and for the people of the mid-west who will now see huge benefits for their region from the development of this extraordinary project," said Mr Kopejtka.

The State Development Agreement grants OPR the exclusive right to develop both the Oakajee port and the associated rail infrastructure north of Mullewa, ensuring there is a coordinated and seamless supply chain for mid-west exporters.



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# MEDIASTATEMENT

Importantly, the project delivers an infrastructure solution that offers all mid-west miners access on fair and equitable terms.

The State Development Agreement also triggers the start of definitive commercial negotiations between OPR and the mid-west miners on their service requirements.

A number of these miners are currently working on their own feasibility studies for major development or expansions of their existing operations and have a pressing need to secure certainty for their transportation requirements.

OPR is supported by a consortium of 9 major international banks, including the 4 major Australian trading banks.

OPR Chief Executive Officer Christopher Eves said the State Development Agreement delivered legal and political certainty to a project that would transform WA's mid-west region.

"This project takes the mid-west to the world, giving the developers of these outstanding but stranded mineral projects the opportunity to get their products to customers overseas," said Mr Eves.

"This multi-billion dollar investment will have a profound impact on the economic development of the mid-west and businesses throughout Western Australia.

"It will also underpin the State Government's vision for a new Oakajee Industrial Estate adjacent to the new infrastructure.

"With the State Development Agreement now executed, this provides great opportunity for OPR to engage with a number of other international organisations that can add value to the project and are very keen to participate."

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To download high resolution computer generated images of the port and rail components of the project please visit:  
<http://picasaweb.google.com.au/FDThirdPerson/OakajeePortRail?authkey=Gv1sRgCMbvs5yeg6quXg&feat=directlink>

To download vision of the port and rail components of the project please visit:  
<http://medianet.ondeadline.com.au/?page=ViewVideo&id=MNT2009031964450#>

Photos from today's signing ceremony will be available on AAP Images after 12.00pm AWDT / 2.00pm AEDT:  
<http://www.aapimage.com.au/>



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