Murchison Metals Limited: Updates On Jack Hills Iron Ore Resource Estimate

23.09.2010 | ABN Newswire

Perth, Australia (ABN Newswire) - Murchison Metals Limited (ASX: MMX) (PINK: MUMTF) is pleased to announce further exploration success and a mineral resource update at the Jack Hills Iron Ore Project in which it holds a 50% interest through Crosslands Resources Ltd (Crosslands).

Overall Mineral Resources at the project now total 3.22 billion tonnes @ 32.3% iron (26.6% DTR) including an increase in the Direct Shipping Material (DSO) component to 139Mt at an average grade 56.6% Fe.

Full details of the updated JORC resource are included in the attached announcement by Crosslands.

Key highlights of the Crosslands announcement include:

- an increase in mineral resources of 220 Million tonnes from the previously reported figure;

- An initial mineral resource at the emerging high grade Brindal Deposit, located 3km to the south of the main Jack Hills deposit;

- Identification of further exploration targets along the underexplored corridor running between Jack Hills and Brindal;

- Newly identified detrital iron deposits uncovered through sterilisation drilling, on the plains to the north of Jack Hills; and

- Potential for further expansion of the resource in the future, with numerous untested exploration targets identified.

Significantly, the inclusion of the emerging Brindal and detrital iron deposit's demonstrates the ongoing exploration success at the Jack Hills Project. Crosslands is currently considering the manner in which these developments may be considered as part of the expansion project currently being studied.

Crosslands has also highlighted the competitive advantages of its project, which include:

- Achievement of saleable concentrate grade at a coarse grind size;

- A low strip ratio;

- Proven processing technologies;

- Separate hematite and magnetite products, at different grind sizes, to allow penetration into both the sinter and pellet feed markets;

- Lower grinding power requirements; and

- Highly attractive chemistry with very low phosphorous and alumina expected in both products.

The update is a result of ongoing work conducted for the Bankable Feasibility Study for the Jack Hills Expansion Project. Murchison Metals Executive Chairman, Paul Kopejtka, said the update was a continuing sign of the regional significance of the Jack Hills deposit.

'The Jack Hills Expansion Project clearly ranks as one of the leading projects in the development of the mid-west iron ore province. The announcement today demonstrates a significantly higher level of geological confidence in the project, as the Bankable Feasibility Study continues.' said Mr Kopejtka.

'Murchison and our joint venture partner Mitsubishi Development continue to work together to advance development at Jack Hills, and this is another important step towards realising the full potential of the Jack Hills Expansion Project.'

Resource and exploration drilling activity is ongoing as part of the continuing feasibility study, and additional exploration targets have been identified along strike between the main Jack Hills project and the Brindal deposit.

About Murchison Metals Limited:

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 and OPR, Murchison is actively exploring growth opportunities in iron ore, coal and manganese in accordance with its approved corporate strategy.

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