



MURCHISON HOLDINGS LIMITED

ASX: MHL

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To : The Company Announcement Office
Australian Stock Exchange

Co-operation Agreement between Murchison International Limited, Chongqing East TopTrend Domo Limited, and Shenzhen Leaguer Digital TV Company Limited

The Company is pleased to announce that on 30th November 2006 its wholly-owned subsidiary, Murchison International Limited ("MCHI"), signed a Co-operation Agreement with Chongqing East TopTrend Domo Limited ("DOMO") and Shenzhen Leaguer Digital TV Company Limited ("Shenzhen Leaguer") for the production, marketing and promotion of usage of Digital Mobile TV systems and equipments developed by Shenzhen Leaguer to overseas markets in the capacity as Original Equipment Manufacturer ("OEM") as well as a Preferred Distributor in the setting up of national digital terrestrial television systems in overseas countries.

For the People's Republic of China ("PRC"), MCHI and DOMO will jointly promote the implementation and usage of DMB-T system and equipments developed by Shenzhen Leaguer. The DMB-T system is the **ONLY** recognised national standard for digital TV system in the PRC.

Under the Co-operation Agreement, Shenzhen Leaguer will provide the front-end training of DMB-T and DVB-T systems as well as the relevant technical support to MCHI and DOMO. MCHI will be responsible primarily for the marketing of the DVB-T system to European countries (the EU has adopted DVB-T system) and other overseas countries who may adopt the DMB-T system. It is envisaged that MCHI will market the systems and products utilising the brand names of "DICE" and "DiTV".

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DOMO with its technology expertise and vast manufacturing facility in Chongqing, PRC will be responsible as an OEM for products developed by both Shenzhen Leaguer and DOMO.

Shenzhen Leaguer is a hi-tech branch corporation of the Research Institute of Tsinghua University. Tsinghua University is one of PRC's most prestigious and leading universities. It owns the intellectual property rights to the transmission mode invented by Tsinghua University. As the sole national standard, Shenzhen Leaguer terrestrial digital television system has been deployed in 43 cities in the PRC and is expected to eventually cover over 1000 cities over the next 3 years.

DOMO is a leading technology company located in the City of Chongqing. It specialises in the research and development, production, and marketing of various multi-media products which are at the cutting-edge of advanced digital convergence technology. It has a vast manufacturing base and R&D centre in Chongqing.

"The Co-operation Agreement represents a significant recognition by renowned technology companies in the PRC of the value of Murchison's established network of international relations. This strategic partnership is also another milestone in our effort to market our DiTV platform and integrate it into the emerging trend of digitalisation of terrestrial TV broadcasting globally. With this strategic partnership, Murchison and its technology partners have now a complete solution to digital convergence and the ability to design, market, and install a complete digital terrestrial TV system from concept to full operating TV network in any country or territories. We have both the DVB-T and DMB-T System technologies.

The global trend in the conversion from analogue to digital television broadcasting systems is irreversible. The advent of this terrestrial TV technology will enable most of the developing countries to leap-frog from technology obsolescence to the adoption of a modern and relatively inexpensive broadcasting system with greater mobility than the old conventional system. At Murchison, we are excited by the opportunities ahead as we begin our marketing programme, starting with Montenegro in Central Europe and then to other developing countries whom we had began the discussions at fairly advanced stage." Said MCH's Chairman Chiang Wee Tiong.

About Digital Terrestrial Television

Digital Terrestrial Television ("DTT") is an implementation of digital technology to provide a greater number of channels and/or better quality of picture and sound through a conventional antenna (or aerial) instead of a satellite dish or cable connection. DTT is transmitted on radio frequencies that are similar to standard analog television, with the primary difference being the use of multiplex transmitters to allow reception of multiple channels on a single frequency range (such as UHF or VHF channel). The technology used is ATSC in North America, ISDB-T in Japan, and DVB-T in Europe and Australia, DMB-T in the PRC; the rest of the world remaining mostly undecided. The EU recommended in December 2005 that its Member States cease all analogue television transmissions by the year 2012.

About Shenzhen Leaguer Digital TV Company Limited

Shenzhen Leaguer is a hi-tech branch corporation of Research Institute of Tsinghua University, PRC. It is located in Shenzhen, Guangdong Province. Tsinghua University provides the company with technology and policy support. Most of Shenzhen Leaguer's staff are Masters, PhDs, and Post-Doctorals with overseas education backgrounds. Shenzhen Leaguer primarily focused on the development and commercialisation of Terrestrial Digital TV system. It owns the intellectual property rights to the transmission mode developed for the terrestrial digital television system which is known to be far more superior in quality standard than other comparative systems.

About Chongqing East TopTrend Domo Limited

Domo is a technology company with vast manufacturing facilities and R&D centre in Chongqing, PRC. It specialises in the development, production, and marketing of digital television, LCD television, IPTV, VoIP, GSM, and 3G mobile phones. It is presently in the process of applying for entrance to PRC's 3G network.

About Murchison

Murchison Holdings Limited (ASX Code: MCH) is an Australian company with extensive business connections in the Asia-Pacific region. It has business interests in financial services, electronic and telecommunication, and marine resources. MCH has been instrumental in assisting international companies in their investment activities in the PRC over the past 15 years. MCH has large presence in the City of Chongqing in the PRC. It is presently involved in the development of a 3-sq km industrial park known as the "Deutsche Industrial Park Chongqing" and the development of a modern automobile and engine plant with its partners, Zakspeed of Germany and Lifan of PRC.

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By order of the Board of Directors



Chiang Wee Tiong

Chairman