

INTRODUCTION

Murchison Holdings Limited (‘MCH’) is an ASX listed diversified Industrial Holding Company with interests in a range of business activities in China and Hong Kong.

These include property, automotive, IT and telecom interests.

MCH also owns 60% of ASX listed company Quest Investments Limited (‘QST’) which, through a 61% owned subsidiary, Quest Stockbrokers (HK) Limited, operates a stockbroking and investment business in Hong Kong as a member of the Hong Kong Stock Exchange.

ASX Code	Ordinary Shares – MCH Options – MCHO (Exp 10-01-09)
Date of Listing:	30 June 1975
Issued Capital	13,728,947 fully paid 11,096,103 (10-01-09) \$1.00 options

The Company is seeking to raise A\$2.0m in an Excluded Offer without Prospectus through the issue of 1,080,000 shares at A\$1.85 per share. Attached to the placement shares will be an option to purchase a MCH shares at A\$1.70, exercisable by 30th November 2009.

KEY POINTS

Murchison Holdings Ltd (MCH) is an ASX listed diversified industrial holding company with interests in a range of business activities in China and Hong Kong.

MCH holds a one-third interest in a 3sq km industrial estate development in China’s largest fastest growing city, Chongqing, worth a minimum of A\$6.00 per share.

MCH holds an approx 25% interest in a motor cycle engine manufacturing project, commencing production in 2008 at 600,000 units, rising to 2.0 million units by 2010.

MCH holds 60% of Quest Investments Ltd (QST), an ASX listed company operating a Hong Kong Stock Exchange Member firm.

The Company recently acquired a 46.4% interest in technology and manufacturing company, CETD whose primary activities include the provision of technology products in the information and multimedia industry to international and domestic corporations, design and manufacturing of various digital terrestrial televisions and other multimedia electronic products.

A QST subsidiary, Quest Telecom, is one of three software suppliers tendering for a contract to supply China Telecom with software for China’s new 3G mobile network, a market estimated to be worth USD 19.5 million in 2011

Net Profit estimate for 2007/2008 is A\$4.0 million (16 cents per share) rising to estimated A\$9.0 million (36 cents per share) for 2008/2009. Fully diluted PE ratio at \$1.85 per share is 11.5 and 5.1



BUSINESS ACTIVITIES

Chongqing Murchison Industrial Park

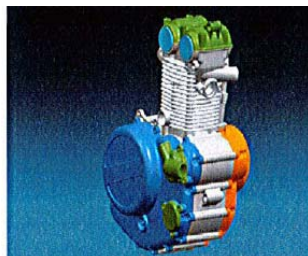


Views of Chongqing

MCH has a 1/3 interest in a 3 sq km industrial estate in Chongqing, the business and industrial centre of Western China and China's largest and fastest growing urban region. Chongqing is one of 4 municipalities in China directly managed by the PRC Central Authority. As such Chongqing rates with Beijing and Shanghai as a city of major importance and priority under the administration of the central government. The estate comprises three sq km of land which will be developed in three phases, the first being the leasing of blocks for medium and light industrial uses. The estate value is currently estimated to be 600,000 -700,000 RMB per Chinese acre (667 sq mtr). This valuation places a total value of MCH's portion of the property at A\$140,000,000, or A\$6.00 per share, fully diluted.

- a) This valuation is likely to increase in the near future as: The city will continue to grow strongly with appropriate increases in the demand for industrial and residential land. This will be influenced by the organic growth of the city and the annual population inflow from the surrounding countryside, currently running at about 500,000 per annum
- b) In due course application will be considered for one third of the land to be rezoned as residential with an estimated increase in valuation to about 2.25m RMB per Chinese acre. The successful rezoning of this section of the estate would add a further approximately A\$16.00 per share to the property asset backing of the stock, taking it to more than \$22.00 per share.

MCS Engines Limited



(MCS Designed 110cc, 125cc, 175cc Motorcycle Engines with Euro 3 emission Standards and EFI)

MCH has signed an agreement to form a joint venture with Carbosystems of Germany and HSUN of the PRC to set up a company for the development and marketing of 175 cc motor cycle engines with Euro 3 emission standards. It is expected that initial production will be at the rate of 600,000 engines per annum commencing in 2008, rising to 2.0 million engines per annum by 2010. MCH will have an approximate 25% interest in the venture.

The estimated annual demand in China for these production is about 12.0 million units.

BOARD OF DIRECTORS

Mr W T Chiang

Chairman/Executive Director

B.Sc (Hons), MBA

Mr. Chiang has over 30 years' experience in Investment Banking, Asset Management and corporate advisory in Singapore, Hong Kong, and Switzerland

Mr G A Robertson

Non-Executive Director

B.Ec LLB., CPA

Mr. Grant Robertson graduated from Monash University with a Bachelor of Economics (B.Ec.) in 1977, and a Bachelor of Law (LLB.) in 1979. Mr. Robertson joined the Board in 1991 as a Non-Executive Director. He is also the Company Secretary of both Murchison Holdings Ltd and its principal subsidiary, Quest Investments Limited.

Dr. K. C. Koh

Non-Executive Director

MBBS, MRCP (G), MRPC, DIH

Dr. Koh joined the Board as a Non-Executive Director in August, 2001. He is also Director of the Group's principal subsidiary, Quest Investments Ltd and has been integral in investor development.

AUSTRALIAN OFFICE



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Chongqing East Top Trend Domo Limited (CETD) (46.4% Interest)

MCH recently acquired a 46.4% interest in a technology and manufacturing company, CETD for a consideration of A\$5.5 million payable in MCH shares: 3.0million shares and 3.0million \$1.70 options.

Its primary activities include provision of technology products in information and multimedia industry to international and domestic corporations, design and manufacture of various digital terrestrial televisions and other multimedia electronic products.

The value of the contract which will involve installing television monitors in over 200,000 taxis over the next 24 – 36 months is approximately A\$28.0million.

The vendor of the company has guaranteed that the minimum profit attributed to MCH on this contract will not be less than A\$1.857m.

This is the first contract in what is expected to be a rapidly growing business.

Quest Investments Limited (60% owned subsidiary)



Quest Investments has reached agreement with the liquidators of Refco to purchase Refco's 40% interest in Quest Stockbroking HK, for US\$150,000 compared to their original investment of US\$10.0m. The purchase of the 40% Refco interest will provide a contribution of A\$5.7m to the QST 2007/2008 net profit, with a benefit of A\$3.5m to MCH through consolidation.

Following the acquisition it is intended to significantly increase the share broking and investment activities of Quest Stockbroking in Hong Kong. These activities are currently portable and with likely future emphasis on share broking business in China, scope exists for considerable growth in revenue and profits.

Quest Telecom Limited ('QT')



The company is a wholly owned subsidiary of Quest Investments. QT has been developing its telecom services for the impending launch of the 3G telecommunication mobile network in the PRC in 2008. To assist in these developments QT is at an advanced stage of take over negotiations with a PRC technology company specialising in providing the TD-SDMA value added technology devices for the 3G telecom service operators. If successful these negotiations will result in QST taking a significant equity stake in the PRC company, thereby increasing the scope of value added services which QST can offer to 3G telecom service operators. With PRC having 450 million mobile phone users the potential revenue to QST will be very substantial.

According to I Suppli Corporation, a US applied market Intelligence Company in the electronic and IT industry, the PRC's 3G added –value services market will grow to USD19.5 bn in revenue by 2011, maintaining a compound annual growth value of 17.4% from USD 8.8 bn in 2006.

As a current supplier of software services to China Telecom, QT should gain significant financial benefits from successfully contracting services to the 3G network.

QST has announced its intention to float off an interest in QT as a separate partly owned subsidiary on ASX.

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Central China Office Chongqing
Deutsche Industrial Town
Changjiang Industrial Park
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China

CAPITAL RAISING DETAILS

The Company is seeking to raise A\$2.0m in an Excluded Offer without Prospectus through the issue of 1,080,000 shares at A\$1.85 per share. Attached to the placement shares will be an option to purchase a MCH shares at A\$1.70, exercisable by 30th November 2008.

The funds will be used for:

- property investment
- working capital.

MPS Transaction Manager

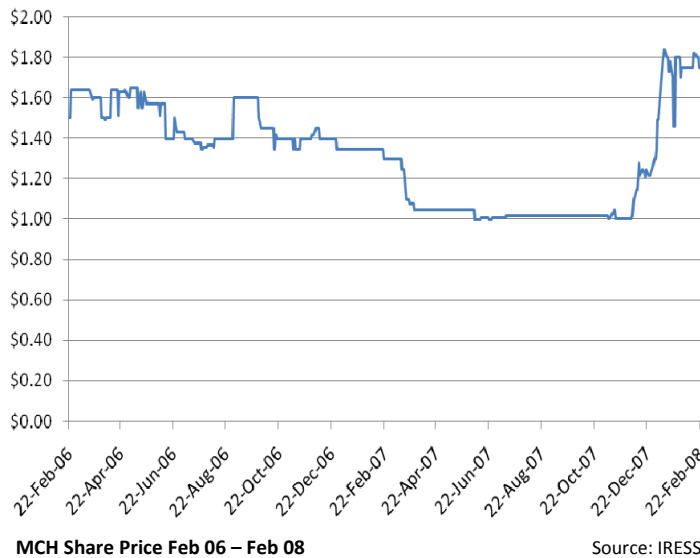
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FINANCIAL



DISCLAIMER

General Securities – Advice Warning

The purpose of this Information Report is to highlight some elements of publically disclosed information that MPS considers provide an insight into the company. Reasonable care has been taken to achieve and maintain unbiased objectivity while assessing publically disclosed information.

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Disclosure

Martin Place Securities Pty Ltd and its associates declare that as 27 February 2008 they may have a relevant interest in the securities recommended herein. Recipients of this Information Report should note that MPS is conducting an Excluded Offer without Prospectus in Murchison Holdings Ltd and commission may be charged. The directors and associated of Martin Place Securities Pty Ltd hold securities in Murchison Holdings Ltd. This position can change at any time.

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