

Malachite Resources Limited

ABN 86 075 613 268

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CHATSWOOD NSW 2067

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23 November 2010

Dear Shareholder

INVITATION TO PARTICIPATE IN THE MAR SHARE PURCHASE PLAN

CLOSING DATE: MONDAY, 13 DECEMBER 2010

THIS LETTER IS IMPORTANT: PLEASE READ IT IN ITS ENTIRETY

I am pleased to advise that your Board of Directors has decided to invite shareholders to participate once again in the Company's Share Purchase Plan ("the Plan"). The Plan entitles shareholders in the Company, irrespective of the size of their shareholding, to purchase up to \$15,000 worth of MAR shares at \$0.075 per share (subject to conditions). This represents a discount of approximately 6% to the volume weighted average market price of Malachite shares for the 30 days up to 22 November 2010. The discount is intended to make the Plan attractive to a broad range of our shareholders, particularly our smaller holders.

You should note that the market price of the Shares may rise or fall between the date of this offer and the date when the shares are allotted. This means that the price you pay per share under this offer may exceed the market price of MAR Shares at the time the shares are allotted to you. Accordingly, you should seek your own financial advice in relation to this offer and your participation under the Plan.

This letter and enclosed Terms and Application Form set out the terms and conditions of the offer under the Plan. By accepting the offer to purchase shares under the Plan, you will have agreed to be bound by those terms and conditions. The last offer made under a similar Share Purchase Plan took place in August 2009.

The maximum allowable subscription under a Share Purchase Plan is \$15,000, pursuant to Australian Securities & Investments Commission ("ASIC") Class Order 09/425. All shareholders with a registered address in Australia, New Zealand or Singapore as at 5.00pm on 22 November 2010 are eligible to participate in the Plan.

WHY ARE WE OFFERING A NEW SHARE PURCHASE PLAN AT THIS TIME?

On 29 September 2010 the Company announced that it had signed a conditional Share Sale Agreement ("SSA") with Volga Elderberry Pty Limited ("VEPL"), pursuant to which Malachite would acquire all of the issued capital in VEPL and in consequence, become sole owner of the Lorena Gold Project ("Lorena").

Lorena is situated about 15km east of Cloncurry in northwest Queensland and comprises a group of mineral tenements that include a small but high grade gold deposit and a substantial area of ground highly prospective for additional gold discovery, both by extensions of the known deposit and by discovery of repetitions along strike. A full description of Lorena was contained in the Company's ASX release dated 29 September 2010 (available from Malachite's website) and further information, including a summary report by the Company's independent expert advisor, Behre Dolbear Australia Pty Limited ("BDA"), was included in the Notice of Meeting for the Company's 2010 Annual General Meeting.

The SSA contains a number of Conditions Precedent ("CP") that need to be satisfied before Completion of the transaction can take place, including the grant to VEPL of five mining lease applications ("MLAs") adjoining the existing mining lease, ML7147, which contains the known gold

deposit. These new mining leases are important for the viability of development of the Lorena gold deposit as an open pit mine and they also contain much of the exploration upside for the project. According to information supplied by VEPL, grant of the MLAs is imminent. The other key CP in the SSA is the approval of the transaction by Malachite's shareholders. That approval was given at the AGM held earlier today. Completion of the Lorena acquisition is therefore expected to take place within a few days of the grant of the MLAs.

Malachite plans to move as rapidly as possible to undertake a definitive feasibility study at Lorena, with a view to developing it as an open pit gold mine producing around 25,000 ounces of gold per annum. On current indications, such a mine should have high operating margins and generate strong cash flows and a feasibility study should be underway in the second half of 2011. The Company will also carry out further exploration at Lorena, with a view to expanding the identified resources and extending the mine life. Significant copper is associated with the gold at Lorena and if the resource grows sufficiently in size copper may become an important co-product and the Lorena mine a copper-gold project. The chances of this happening appear to be good, not least because Lorena is situated in the heart of the Mount Isa region copper-gold province, with deposits like Ernest Henry and Rocklands located about 30km north and 20km west of Lorena, respectively.

The acquisition of Lorena and its rapid development as the Company's first mine will allow Malachite to achieve its goal of moving from a pure explorer to a true miner. Cash flow from Lorena should also enable the Company to retain its 100% interest in the Conrad Silver Project and to bring that project along as our second mine in succeeding years.

Since the last Share Purchase Plan took place, in August 2009, metal prices have continued their strong rise, enhancing the attractiveness of Lorena, and indeed of Conrad. For example:

- In August, 2009, the copper price was about \$US6,000/t; today it is over \$US8,000/t.
- In August, 2009, the tin price was around \$US15,000/t; today it is over \$US25,000/t.
- In August, 2009, silver was around \$US14.50/oz; today it is over \$US27/oz.
- In August, 2009, gold was at \$US960/oz; today it is over \$US1350/oz.

These high metal prices provide strong incentive for Malachite to get into production as quickly as possible and retain full ownership of its discovered resources. The capital raised by this Share Purchase Plan will play a material part in enabling the Company to achieve those goals.

WHAT WILL THE NEW FUNDS BE USED FOR?

Malachite proposes to spend up to \$5 million on project exploration and evaluation in 2011, principally at Lorena, Conrad and Pikedale, as detailed below. The funds raised through this Share Purchase Plan will provide a material part of that capital and the balance of funding required is expected to be raised by placements to sophisticated investors. As is always the case in exploration, these plans are subject to review as results come to hand.

It is proposed to apply the new funds from this Share Purchase Plan principally to:

- i) Carry out detailed drilling to convert the known resource at Lorena to a mineable reserve and explore the prospective ground adjacent to the existing Lorena pit;
- ii) Undertake detailed infill drilling of the Princess Shoot at Conrad; and
- iii) Complete an initial reconnaissance drilling program at the Lickhole prospect, within the Pikedale EPM.

LORENA – The existing mineral resource at Lorena remains open at depth and along strike. Part of the proposed drilling will therefore seek extensions to the identified lodes in the immediate vicinity of the known ore body, which is exposed in the existing pit. At the same time, detailed infill drilling within the known resource, mostly using the lower cost, reverse circulation percussion drilling method, will be necessary to convert the resource to a reserve and allow progression to a

definitive feasibility study. Some exploration drilling on the new MLs to the west of Lorena is also planned, after sufficient surface work to delineate drill targets properly.

The proposed expenditure at Lorena over the next 12 months is approximately \$3 million.

CONRAD – Exploration at Conrad in 2011 is expected to focus strongly on the Princess Shoot, which comprises a discrete body of silver-copper-tin-lead mineralisation, with attractive grades. The Princess Shoot is located at the southeastern end of the Conrad mining leases and is separated from the old mine workings. The shoot comes virtually to surface and because of that, it represents an ideal location to carry out the sort of detailed drilling that will allow a high quality, geostatistical mineral resource estimate to be made for the top 100m or so of the Princess Shoot. It is proposed to carry out this drilling and resource work in 2011 and at a later date, subject to additional funding, excavate an exploration decline to enable underground access to the drilled resource and to provide bulk samples for grade confirmation and metallurgical studies.

The proposed expenditure at Conrad over the next 12 months is approximately \$1.2 million.

PIKEDALE – The Pikedale project is located in southern Queensland, about 30km west of Stanthorpe. It comprises EPM18166, of 100 sub-blocks, and for Malachite at present the principal focus is a large, geochemically anomalous zone of ironstone known as the Lickhole Prospect. Rock chip sampling by Malachite has returned some highly encouraging values (in separate samples) of copper (up to 7.93% Cu), zinc (up to 6.28% Zn) and silver (up to 71g/t Ag). Malachite recently completed a geophysical survey over the Lickhole prospect (IP survey) and this work identified a well defined chargeability anomaly beneath the surface ironstone. Reconnaissance reverse circulation percussion drilling of this attractive target is planned for the early part of 2011. It should be noted that the Company has applied for a Queensland Government subsidy for this drilling, which is available under the Government's Collaborative Drilling Initiative of the Greenfields 2020 program.

The proposed expenditure at Pikedale over the next 12 months is approximately \$600,000.

OTHER PROJECTS – While some work is anticipated at Malachite's other projects, they are not expected to incur substantial expenditure during 2011, given the value of Lorena and the importance of focussing our efforts on that project until it becomes a mine. It is also possible that Malachite will farm out an interest in one or more of its lower priority projects.

The expected expenditure on Malachite's other projects over the next 12 months is approximately \$200,000.

HOW TO PARTICIPATE

If you would like to participate in the Plan, please read the attached Terms and return your completed Application Form, together with your cheque representing the purchase price for the number of shares applied for. Your Form must be received **on or before 5.00 pm on the Closing Date of Monday, 13 December 2010**. Alternatively, payment can be made by **BPay** (in which case you do not need to return the form) by following the instructions on the enclosed application form. If you pay by **BPay** payment must be received by the Company **by 5.00 pm on Monday, 13 December 2010**.

Eligible shareholders may apply for up to a **maximum** of 200,000 shares, at a cost of \$15,000. No stamp duty or brokerage will apply to shares purchased under the Plan on application. If the exact amount of money for the shares applied for is not tendered with the Application Form, MAR reserves the right to disregard your application and not to allot any shares. The Company may conduct a Share Purchase Plan in the future, but is not obliged to do so.

The Company reserves the right to issue fewer Shares than an Eligible Member applied for under the Plan (or none at all) if it believes that the allotment of those Shares would contravene any law or rules of the Australian Securities Exchange, on which the Shares are listed.


Before deciding whether to accept the offer, please consider the price at which the Company's shares have been trading on the stock exchange and read the enclosed Terms carefully, including Clause 3.2.

The Company will apply for quotation of the shares to be issued under the Plan on the Australian Securities Exchange on or within 3 business days of the Closing Date. The shares subscribed for will be allotted within 7 business days of the Closing Date. Shareholders will be issued with a holding statement or confirmation shortly after the allotment of the shares.

Malachite has a strong and much valued team that has been committed and intensely loyal throughout and since the Global Financial Crisis. We are excited by the opportunity that Lorena represents for us and are strongly motivated by the potential to turn first Lorena and then Conrad into successful mines that we believe will bring much value to our shareholders.

Please act now if you wish to take advantage of this offer and see our web site www.malachite.com.au for further information.

Yours faithfully



Garry G. Lowder
Chairman

**PARTICIPATION IN THE PLAN IS ENTIRELY OPTIONAL.
HOWEVER, SHAREHOLDERS ARE ENCOURAGED TO SUPPORT THEIR COMPANY AND
HELP IT MAKE THE TRANSITION FROM SUCCESSFUL EXPLORER TO EMERGING MINER.**

TERMS OF THE MAR SHARE PURCHASE PLAN

1. DEFINITIONS

In this Plan, unless the context otherwise indicates:

ASX means ASX Limited.

Board means the Board of Directors of the Company.

Closing Date means Monday, 13 December 2010 or such later date as may be determined by the Board.

Company/MAR means Malachite Resources Limited ABN 86 075 613 268.

Eligible Members means members of the Company eligible to participate in the Offer as determined under Clause 2.

Offer means a non-renounceable offer of ordinary fully paid shares in the Company to Eligible Members under the Plan.

Plan means the MAR Share Purchase Plan approved by the Board from time to time.

Purchase Price means 7.5 cents (\$0.075) per share.

Record Date means 22 November 2010.

Shares means fully paid ordinary shares in the Company.

2. ELIGIBILITY TO PARTICIPATE

2.1 Those members of the Company who will be eligible to apply for Shares under the Offer (“**the Eligible Members**”) are those who:

- Are recorded in the Company’s register of members at 5.00pm on the Record Date; and
- Have an address (as recorded in the Company’s register of members) in Australia, New Zealand or Singapore.

Single Holders – If you are the only registered holder of a holding of fully paid ordinary Company shares, but you receive more than one offer under the Plan, you may only apply for up to a maximum amount of \$15,000 of new Shares.

Joint Holders – If you are a joint holder of a holding of Shares, that joint holding is considered to be a single registered holding for the purposes of the Plan, and you are entitled to participate in the Plan in respect of that single holding only. If you are a joint holder and you receive more than one Offer under the Plan, you may only apply for up to a maximum amount of \$15,000 of new Shares.

Custodians – Eligible Members who hold shares as a custodian or nominee (“**Custodian**”) on behalf of one or more other persons (“**Participating Beneficiaries**”) may apply for up to a maximum amount of \$15,000 new Shares for each Beneficiary, subject to clause 7.

For the purposes of the Plan which is made in accordance with ASIC Class Order CO 09/425, you are a Custodian if you are a registered holder that:

- (i) holds an Australian financial services licence that covers the provision of a custodial or depository service; or
- (ii) holds an Australian financial services licence that includes a condition requiring the holder to comply with ASIC Class Order 02/294; or
- (iii) is exempt under:
 - a. paragraph 7.6.01(1)(k) of the *Corporations Regulations 2001* (Cth); or
 - b. paragraph 7.6.01(1)(na) of the *Corporations Regulations 2001* (Cth); or
 - c. ASIC Class Order 05/1270 to the extent that it relates to ASIC Class Order 03/184; or
 - d. ASIC Class Orders CO 03/1099, CO 03/1100, CO 03/1101, CO 03/1102, CO 04/829, CO 04/131; or
 - e. an individual instrument of relief granted by ASIC to the person in terms similar to one of the class orders referred to in sub-paragraph (iv) above,
 from the requirement to hold an Australian financial services licence for the provision of a custodial or depository service.
- (iv) is a trustee of a self-managed superannuation fund or superannuation master trust; or
- (v) that is the registered holder of Shares in the class and is noted on the register of members of the body as holding the Shares on account of another person.

2.2 The Offer does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer.

2.3 The Offer has been made based on ASIC Class Order 09/425. In accordance with the relief Eligible Members may only acquire up to a maximum of fifteen thousand dollars (\$15,000) worth of Shares in any consecutive twelve (12) month period. This maximum amount applies even if an Eligible Member receives more than one Offer or receives the Offer as a joint holder of Shares. If an Offer is received by a member who is expressly noted on the Company’s register of members as a Custodian on account of a Participating Beneficiary, then any Shares issued in relation to that Offer will not be included in calculating the maximum number of Shares that may be applied for by that member, but will be included in calculating the maximum number of Shares that can be applied for by the Participating Beneficiary.

2.4 Offers made under the Plan are not renounceable. This means that members cannot transfer their right to purchase Shares under this Offer to another person.

3 PURCHASE PRICE

3.1 Purchase Price is 7.5 cents (\$0.075) per Share, which represents an approximate discount of 6% to the volume weighted average market price of Malachite shares for the 30 days up to 22 November 2010. This was considered by the directors to be an appropriate discount devised to promote maximum participation by shareholders.

- 3.2 By accepting an Offer and applying for Shares under the Plan, each Eligible Member acknowledges that the Shares are a speculative investment and the price of the Shares quoted on ASX may change between the date of the Offer and the date of issue of the Shares and that the value of Shares received under the Plan may rise or fall accordingly. Accordingly you should seek your own financial advice in relation to this offer and your participation in the Plan.

4 TERMS OF ISSUE OF SHARES

- 4.1 The Board reserves the right to refuse an application if it considers that the applicant is not an Eligible Member or has not otherwise complied with the terms of the Plan or for any other reason. If an application is refused, the application monies received will be refunded without interest.
- 4.2 Subject to clause 4.1, Shares to be issued under the Plan will be allotted within 7 business days of the Closing Date. Shareholders will be issued with a holding statement or confirmation shortly after the allotment of the shares.
- 4.3 Shares allotted under the Plan will rank equally in all respects with all other fully paid ordinary shares in the Company on the date of issue.
- 4.4 The Company will apply to ASX for quotation of the Shares issued under the Plan upon allotment.
- 4.5 ASX Listing Rules 7.2 *Exception 15* and 10.12 *Exception 8* apply such that the total number of shares that may be issued under this Plan must not be greater than 30% of the number of ordinary fully paid shares on issue at the Record Date.
- 4.6 Eligible shareholders may choose any level of acceptance up to a maximum of 200,000 shares, at a cost of \$15,000.

5. GENERAL

- 5.1 The Plan will be administered by the Board or a committee of the Board that will have absolute discretion to:
- (a) determine appropriate procedures for administration of the Plan consistent with these Terms;
 - (b) resolve conclusively all questions of fact or interpretation arising in connection with the Plan or these Terms; and
 - (c) delegate to any one or more persons, for such period and on such conditions as they may determine, the exercise of their powers or discretions under the Plan or these Terms.
- 5.2 The Plan and these Terms may be suspended, terminated or amended at any time by the Board. In particular the Board may waive compliance with any provision of these terms and conditions, or vary these terms and conditions if required to comply with the ASX Listing Rules;
- 5.3 The Company reserves the right to issue fewer Shares than an Eligible Member applied for under the Plan (or none at all) if it believes that the allotment of those Shares would contravene any law or rules of the stock exchange on which the Shares are listed.
- 5.4 These Terms are governed by and construed in accordance with the laws for the time being in force in the State of New South Wales.
- 5.5 The Directors of the Company are eligible to participate in the Plan and to the extent that they do so, the Company will rely upon the exemption afforded by ASX Listing Rule 10.11 *Exception 8*.

6 CERTIFICATION BY ELIGIBLE SHAREHOLDERS

Application Form and Payment

- 6.1 By forwarding and completing the Application Form (together with a cheque, bank draft or money order), each Eligible Member:
- (a) acknowledges that they have read and understood the terms and conditions of the Plan and they agree to be bound by those terms and conditions and by the Constitution of the Company;
 - (b) certifies that the aggregate of the application price for the following:
 - (i) the Shares the subject of the application;
 - (ii) any other Shares in the class applied for under the Plan or any Shares in the class issued under a similar arrangement in the 12 months prior to the application;
 - (iii) any other Shares in the class which you have instructed a Custodian to acquire on your behalf, under the Plan; and
 - (iv) any other Shares in the class issued to a Custodian under an arrangement similar to the Plan in the 12 months before the application as a result of an instruction given by you to the Custodian or another Custodian and which resulted in you holding beneficial interests in the shares or interests,does not exceed A\$15,000 unless you are applying as a Custodian on behalf of one or more Participating Beneficiaries.

Electronic payment facility

- 6.2 If making a BPAY® payment:
- (a) a unique identifier in relation to the Eligible Member must be provided by the Eligible Member when making a payment using BPAY® and is not provided by the Company to the Eligible Member other than in the Offer;

- (b) you represent to the Company that the total of the application price for the following does not exceed A\$15,000:
 - (i) the Shares the subject of the application;
 - (ii) any other Shares in the class applied for under the Plan, or any Shares in the class issued under a similar arrangement in the 12 months before the application;
 - (iii) any other Shares in the class which you have instructed a Custodian to acquire on your behalf, under the Plan; and
 - (iv) any other Shares in the class issued to a Custodian under an arrangement similar to the Plan in the 12 months before the application as a result of an instruction given by the Eligible Member to the Custodian or another Custodian and which resulted in the Eligible Member holding beneficial interests in the Shares,

7 PARTICIPATION ON BEHALF OF BENEFICIAL OWNERS BY CUSTODIANS

7.1 Eligible Members who hold Shares as a custodian (**Custodian**, as defined in the Plan) for one or more other persons (each a **Participating Beneficiary** as defined in the Plan), may apply for up to a maximum amount of A\$15,000 for each Participating Beneficiary, subject to the Custodian providing a notice in writing to ARX, certifying the following:

- (a) either or both of the following:
 - (i) that the Custodian holds Shares in the class on behalf of Participating Beneficiaries that are not Custodians;
 - (ii) that another Custodian (**Downstream Custodian**) holds beneficial interests in Shares in the class on behalf of Participating Beneficiaries, and the Custodian holds Shares to which those beneficial interests relate on behalf of the Downstream Custodian or another Custodian,on the Record Date and that each Participating Beneficiary has instructed the following persons:
 - (iii) where sub-paragraph 7.1(a)(i) applies – the Custodian; and
 - (iv) where sub-paragraph 7.1(a)(ii) applies – the Downstream Custodian,to apply for Shares on their behalf under the SPP;
- (b) the number of Participating Beneficiaries;
- (c) the name and address of each Participating Beneficiary;
- (d) in respect of each Participating Beneficiary:
 - (i) where sub-paragraph 7.1(a)(i) applies – the number of Shares in the class that the Custodian holds on their behalf; and
 - (ii) where sub-paragraph 7.1(a)(ii) applies – the number of Shares in the class to which the beneficial interests relate;
- (e) in respect of each Participating Beneficiary:
 - (i) where sub-paragraph 7.1(a)(i) applies – the number or the dollar amount of Shares they instructed the Custodian to apply for on their behalf; and
 - (ii) where sub-paragraph 7.1(a)(ii) applies – the number or the dollar amount of Shares they instructed the Downstream Custodian to apply for on their behalf;
- (f) there are no Participating Beneficiaries in respect of which the total of the application price for the following exceeds A\$15,000:
 - (i) the Shares applied for by the Custodian under the Plan in accordance with the instructions referred to in sub-paragraph 7.1(e); and
 - (ii) any other Shares in the class issued to the Custodian in the 12 months before the application as a result of an instruction given by them to the Custodian or the Downstream Custodian to apply for Shares on their behalf under an arrangement similar to the Plan;
- (g) that a copy of the written offer document was given to each Participating Beneficiary; and
- (h) where sub-paragraph 7.1(a)(ii) applies – the name and address of each Custodian who holds beneficial interests in the Shares in the class held by the Custodian in relation to each Participating Beneficiary.

8 TIMETABLE

Event	Date	Description
Record Date	Monday 22 November 2010 (5.00pm Sydney time)	Date for determining Eligible Members
SPP Offer Announced	Tuesday 23 November 2010	ASX Announcement
Cleansing Notice	Tuesday 23 November 2010	ASIC Class Order 09/425, paragraph 7(f)(ii)
SPP Offer Opens	Thursday 25 November 2010	Date SPP Invitation Letter despatched to shareholders with Terms and Application Form
Closing Date	Monday 13 December 2010 (5:00 pm Sydney time)	Date SPP closes
Issue/Allotment Date	Monday 20 December 2010	Dates shares under the SPP are issued/allotted
Quotation Date	Tuesday 21 December 2010	Date shares are expected to be traded on ASX. An Appendix 3B notice will be lodged with the ASX on or about 20 December 2010.

The information in this document and the accompanying letter to Shareholders dated 23 November 2010 that relates to Exploration Results and drilling is based on information compiled by Dr Garry Lowder and Mr Michael Donnelly, who are full time employees of Malachite Resources Limited and are respectively a Fellow and a Member of the Australasian Institute of Mining and Metallurgy. Dr Lowder and Mr Donnelly have sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' Dr Lowder and Mr Donnelly consent to the inclusion in this document of the matters based on their information in the form and context in which it appears.

Malachite Resources Limited

ACN 075 613 268



Please return completed form to:
Computershare Investor Services Pty Limited
GPO Box 2987 Adelaide
South Australia 5001 Australia
Enquiries (within Australia) 1300 556 161
(outside Australia) 61 3 9415 4000
www.investorcentre.com/contact

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SAM

MR JOHN SMITH 1

FLAT 123

123 SAMPLE STREET

THE SAMPLE HILL

SAMPLE ESTATE

SAMPLEVILLE VIC 3030



Securityholder Reference Number (SRN)



I 1234567890

I N D

For your security keep your SRN/HIN confidential.

Entitlement Number:

Record Date: 22/11/10

Offer Closes: 5.00pm Adelaide Time 13/12/10

Price per Security: A\$0.075

SHARE PURCHASE PLAN APPLICATION FORM

This personalised form can only be used in relation to the securityholding represented by the SRN or HIN printed above. This is an important document and requires your immediate attention. If you are in doubt about how to deal with this document, please consult your financial or other professional adviser.

Pursuant to the terms and conditions of the Malachite Resources Limited Share Purchase Plan (SPP) contained in the letter to Malachite Resources Limited securityholders dated 23 November 2010, Malachite Resources Limited is offering eligible securityholders the opportunity to purchase shares up to a maximum value of A\$15,000 per eligible securityholder, subject to a minimum application of A\$1,875.

If you do not wish to purchase additional shares under this offer there is no need to take action.

By making your payment, you agree to be bound by the Constitution of Malachite Resources Limited and agree that the submission of this payment constitutes an irrevocable offer to you by Malachite Resources Limited to subscribe for Malachite Resources Limited Shares on the terms of the SPP. In addition, by submitting the slip below you certify that the aggregate of the application price paid by you for:

- the Shares subject of the slip below; and

- any other shares and interests in the class applied for by you under the Share Purchase Plan or any similar arrangement in the 12 months prior to the date of submission of the slip below, does not exceed \$15,000.00.

METHOD OF ACCEPTANCE

You can apply for shares and make your payment utilising one of the payment options detailed overleaf.

Malachite Resources Limited may make determinations in any manner it thinks fit, in relation to any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the SPP whether generally or in relation to any participant or application. Any determinations by Malachite Resources Limited will be conclusive and binding on all eligible securityholders and other persons to whom the determination relates. Malachite Resources Limited reserves the right to waive strict compliance with any provision of the terms and conditions of the SPP, to amend or vary those terms and conditions and to suspend or terminate the SPP at any time. Any such amendment, variation, suspension or termination will be binding on all eligible securityholders even where Malachite Resources Limited does not notify you of that event.

M A R

S P R B

124329_V3



▼ PLEASE DETACH HERE ▼



Paperclip
cheque(s)
here. Do not
staple.

Malachite Resources Limited Please see overleaf for Payment Options

ACN 075 613 268



Billers Code: 123456

Ref No: 1234 5678 9012 3456 78

I/We wish to purchase:

25,000
shares or
A\$1,875

or

50,000
shares or
A\$3,750

or

100,000
shares or
A\$7,500

or

150,000
shares or
A\$11,250

or

200,000
shares or
A\$15,000

* These share amounts may be subject to scale-back in accordance with the terms of the SPP.

Payment Details – Please note that funds are unable to be directly debited from your bank account

Drawer

Cheque number

BSB number

Account number

Cheque amount

Make your cheque or bank draft payable to Malachite Resources Limited SPP

Contact Details

Please provide your contact details in case we need to speak to you about this slip

Name of contact person

Contact person's daytime telephone number

1234567890123456+1234567890-1234+12

How to accept the Share Purchase Plan

Payment Details

You can apply for shares by utilising the payment options detailed below. There is no requirement to return the slip below if you are paying by electronic means. By making your payment using either electronic means or by cheque, bank draft or money order, you confirm that you:

- agree to all of the terms and conditions of the Share Purchase Plan as enclosed with this Application Form;

Your cheque, bank draft or money order payable to Malachite Resources Limited SPP in Australian currency and cross it Not Negotiable. Your cheque or bank draft must be drawn on an Australian branch of a financial institution. Please ensure you submit the correct amount. Incorrect payments may result in your application being rejected. Complete cheque details in the boxes provided. Please note that funds are unable to be directly debited from your bank account.

If paying by cheque, return the slip below and Cheque, Bank Draft or money order in the envelope provided.

Cheques will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques returned unpaid may not be re-presented and may result in your Application being rejected. Paperclip (do not staple) your cheque(s) to the slip below where indicated. Cash will not be accepted. A receipt for payment will not be forwarded.

Contact Details

Enter the name of a contact person and telephone number. These details will only be used in the event that the registry has a query regarding the slip below.

Lodgement of Application

If you are applying for shares and your payment is being made by BPAY®, you do not need to return the slip below. Your payment must be received by no later than 5.00pm (Adelaide time) on Monday 13 December 2010. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment. Ensure you have read and accurately followed your banking institution's BPAY FAQ or other instructions prior to making multiple payments for multiple holdings under this offer. Neither CIS nor Malachite Resources Limited's accepts any responsibility for loss incurred through incorrectly completed BPAY payments. It is the responsibility of the applicant to ensure that funds submitted through BPAY are received by this time.

If you are paying by cheque, bank draft or money order, the slip below must be received by Computershare Investor Services Pty Limited (CIS) Adelaide by no later than 5.00pm (Adelaide time) on Monday 13 December 2010. You should allow sufficient time for this to occur. A reply paid envelope is enclosed for securityholders in Australia. Overseas holders will need to affix the appropriate postage. Return the slip below with cheque, bank draft or money order attached. Neither CIS nor the Company accepts any responsibility if you lodge the slip below at any other address or by any other means.

Privacy Statement

Personal information is collected on this form by CIS, as registrar for securities issuers ("the issuer"), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal information may be disclosed to our related bodies corporate, to external service companies such as print or mail service providers, or as otherwise required or permitted by law. If you would like details of your personal information held by CIS, or you would like to correct information that is inaccurate, incorrect or out of date, please contact CIS. In accordance with the Corporations Act 2001, you may be sent material (including marketing material) approved by the issuer in addition to general corporate communications.

You may elect not to receive marketing material by contacting CIS. You can contact CIS using the details provided on the front of this form or e-mail privacy@computershare.com.au

If you have any enquiries concerning this form or your entitlement, please contact CIS on 1300 556 161.

This form may not be used to notify your change of address. For information, please contact CIS on 1300 556 161 or visit www.computershare.com (certificated/issuer sponsored holders only).

CHESS holders must contact their Controlling Participant to notify a change of address

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Payment Options:



Billers Code: 123456

Ref No: 1234 5678 9012 3456 78

Telephone & Internet Banking – BPAY

Call your bank, credit union or building society to make this payment from your cheque or savings account. More info: www.bpay.com.au



By Mail

Malachite Resources Limited
Computershare Investor
Services Pty Limited
GPO Box 2987
Adelaide, SA 5000
AUSTRALIA



Entitlement Number: <xxxxxxxxxx>

SAMPLE CUSTOMER
SAMPLE STREET
SAMPLE STREET
SAMPLE STREET
SAMPLE STREET
SAMPLETOWN TAS 7000

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