



Malachite Resources Limited

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Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98.

Rule 5.3

Name of entity

Malachite Resources Limited

ACN or ARBN

075 613 268

Quarter ended ("current quarter")

31 March 2011

Consolidated statement of cash flows

Cash flows related to operating activities

	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from product sales and related debtors		
1.2 Payments for		
(a) exploration and evaluation	(189)	(1,313)
(b) development		
(c) production		
(d) administration (including Lorena acquisition costs)	(485)	(1,161)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	3	26
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid (received)		
1.7 Other income		
Management fees		
Joint Venture funds received in advance		
Net Operating Cash Flows	(671)	(2,448)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects		
(b) equity investments		
(c) other fixed assets	-	(2)
1.9 Proceeds from sale of:		
(a) prospects		
(b) equity investments		
(c) other fixed assets		
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)- Staff Advance	1	2
- Environmental Bonds - Lorena	(174)	(197)
Net investing cash flows	(173)	(197)
1.13 Total operating and investing cash flows (carried forward)	(844)	(2,645)

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	Current quarter \$A'000	Year to date (9 months) \$A'000
1.13 Total operating and investing cash flows (brought forward)	(844)	(2,645)
Cash flows related to financing activities		
1.14 Proceeds from issues of shares	657	1,001
1.15 Proceeds from sale of forfeited shares		
1.16 Proceeds from borrowings	40	40
1.17 Repayment of borrowings		
1.18 Dividends paid		
1.19 Other (provide details if material)- Capital Raising Costs	(4)	(16)
-Subscriptions in Advance	(36)	-
Net financing cash flows	657	1,025
Net increase (decrease) in cash held	(187)	(430)
1.20 Cash at beginning of quarter/year to date	371	614
1.21 Exchange rate adjustments to item 1.20		
1.22 Cash at end of quarter*	184	184

* Funds of \$420,000 were raised in April 2011 through loans/share subscriptions in advance.

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

1.23 Aggregate amount of payments to the parties included in item 1.2	86
1.24 Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Salaries, Directors fees and consultancy fees at normal commercial rates.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

\$A'000
21,000

Issued 350,000,000 shares for the acquisition of Volga Elderberry Pty Ltd

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

Financing facilities available

Add notes as necessary for an understanding of the position.

3.1 Loan facilities

3.2 Credit standby arrangements

Amount available \$A'000	Amount used \$A'000
-	-
-	-

Estimated cash outflows for next quarter *

	\$A'000
4.1 Exploration and evaluation **	200
4.2 Development	-
4.3 Production	
4.4 Administration	200
Total	400

* Funds of \$420,000 were raised in April 2011 through loans/share subscriptions in advance.

** Exploration and evaluation estimated cash outflow may increase when anticipated further funding is completed.

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	184	371
Deposits at call	-	-
Bank overdraft	-	-
Other - 30 day bank bills	-	-
Total: cash at end of quarter (item 1.22)*	184	371

* Funds of \$420,000 were raised in April 2011 through loans/share subscriptions in advance.

Changes in interests in mining tenements

	Tenement reference	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed				
6.2 Interests in mining tenements acquired or increased	ML7147 EPM 18189	100% 100%	0% 0%	100% 100%

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities (description)				
7.2 Changes during quarter				
(a) Increases through issues				
(b) Decreases through returns of capital, buy-backs, redemptions				
7.3 Ordinary securities	540,203,106	540,203,106		
7.4 Changes during quarter				
(a) Increases through issues-				
Rights Issue				
Share Purchase Plan				
Share Placement	8,765,000	8,765,000		
Exercise of Options				
Repayment Convertible note				
Consideration for acquisition of Lorena Gold Project	350,000,000	350,000,000		
(b) Decreases through returns of capital, buy-backs, redemptions				

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7.5 Convertible debt securities (description)

Convertible Note repayable either wholly by the issue of new shares, or up to 50% in cash and the balance in new shares

		\$	\$
1		1,000,000	1,000,000

7.6 Changes during quarter

- (a) Increases through issues
- (b) Decreases through returns of capital, buy-backs, redemptions

7.7 Options

Description and conversion factor		Total Number	Number Quoted	Exercise price	Expiry Date
30 November 2011 Options	1 share for 1 option	3,240,000	-	30 cents	30-Nov-11
29 October 2012 Options	1 share for 1 option	7,500,000	-	11.1 cents	29-Oct-12
22 November 2012 Options	1 share for 1 option	7,060,000	-	43.1 cents	22-Nov-12
25 November 2013 Options	1 share for 1 option	5,900,000	-	20 cents	25-Nov-13
25 November 2013 Options	1 share for 1 option	1,450,000	-	20 cents	25-Nov-13
20 June 2011 Options	conditional	14	-	conditional	20-Jun-11
30 November 2012 Options	conditional	14	-	11.1 cents	30-Nov-12
28 February 2013 Options	1 share for 1 option	8,765,000	-	10 cents	28-Feb-13
21 April 2013 Options	1 share for 1 option	2,000,000	-	10 cents	21-Apr-11
7.8 Issued during quarter					
20 June 2011 Options	conditional	14	-	conditional	20-Jun-11
30 November 2012 Options	conditional	14	-	11.1 cents	30-Nov-12
28 February 2013 Options	1 share for 1 option	8,765,000	-	10 cents	28-Feb-13
21 April 2013 Options	1 share for 1 option	2,000,000	-	10 cents	21-Apr-11
7.9 Exercised during quarter					
7.10 Expired during quarter					
7.11 Debentures					
7.12 Unsecured notes (totals only)					

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:



(Company Secretary)

Print name:

Andrew J Cooke

Date:

29-Apr-11

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, AASB 1022: Accounting for Extractive Industries and AASB 1026: Statement of Cash Flows apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.