



MALACHITE RESOURCES LIMITED
(ABN 86 075 613 268)

RIGHTS ISSUE PROSPECTUS

For a pro rata, non-renounceable rights issue of 1 New Share
for every 9 Shares held at the Record Date and 1 New Option for every 2 New Shares
subscribed for, to raise up to \$893,712, before issue costs (“the Offer” or “the Rights Issue”).

AND

The issue of 89,371,190 New Options

The Offer is fully underwritten by Patersons Securities Limited (ABN 69 008 896 311)

Important Notice

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the Securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Securities offered under this Prospectus should be considered speculative.

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SUMMARY OF IMPORTANT DATES

Announcement of the Offer and Prospectus lodged with ASX and ASIC Appendix 3B lodged with ASX	5 October 2012
Company sends notice to Security holders containing the information required by Appendix 3B.	8 October 2012
"Ex" Date	9 October 2012
Record Date	15 October 2012
Prospectus dispatched to Eligible Shareholders Opening Date of Offer	18 October 2012
Closing Date of Offer 5pm (Sydney time)	1 November 2012
New Shares and New Options quoted on a deferred settlement basis	2 November 2012
Company to notify ASX of under subscriptions (if any)	6 November 2012
Despatch Date Allotment of securities Deferred settlement trading ends	9 November 2012
Expected date for normal trading of securities to commence on ASX	12 November 2012

This timetable is indicative only and subject to change. The Company in consultation with the Underwriter reserves the right to vary the above dates, subject to the Listing Rules and the Corporations Act.

IMPORTANT NOTES

Understanding this Prospectus

This Prospectus is dated 5 October 2012 and was lodged with ASIC on that date.

Neither ASIC nor ASX take responsibility for the content of this Prospectus. The Directors of the Company reserve the right to close the Offer earlier than the timetable or vary any of the important dates set out in this Prospectus without prior notice, including extending the closing date of the Rights Issue. No securities will be allotted or issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

The Company will apply to ASX for the New Shares and New Options to be granted Official Quotation within seven days of the date of this Prospectus.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. Refer to Section 2.11 for treatment of International Shareholders. Applications for New Shares, New Options and Shortfall Securities offered pursuant to this Prospectus can only be submitted on an original Entitlement and Acceptance Form or a Shortfall Application Form which accompanies this Prospectus.

The New Shares and New Options are not being offered or sold to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of New Shares and New Options is being made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2002 (New Zealand).

This Prospectus has not been registered, filed with or approved by any New Zealand regulatory authority under the Securities Act 1978 (New Zealand). This Prospectus is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

No person has been authorised to give information or to make any representation in connection with this Prospectus which is not contained in this Prospectus. Any information or representation that is not contained in this Prospectus may not be relied upon as having been authorised by the Company in connection with this Prospectus.

In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult. Except as required by law, and only to the extent so required, neither the Company, nor any other person warrants or guarantees the future performance of the Company or any return on any investment made pursuant to this Prospectus.

This Prospectus should be read in its entirety. The risks associated with investing in the Company are significant and potential investors should carefully consider those risks and seek professional advice before deciding whether to invest.

If you do not fully understand this Prospectus or are in any doubt as to how to deal with it, you should consult your professional adviser. In particular, it is important that you consider the risk factors (see Section 5 of this Prospectus) that could affect the performance of the Company before making an investment decision.

Subject to the requirements of the Corporations Act and the Listing Rules, the Company reserves the right to vary the timetable summarised on page 3 of the Prospectus.

The projects referred to in this Prospectus are at an exploration stage only and as a consequence, investment in the securities offered by this Prospectus is speculative in nature.

Some words and expressions used in this Prospectus have defined meanings which are explained in Section 8.

Additional copies of this Prospectus are available from the registered office of the Company during normal business hours. A copy of the Prospectus can be downloaded from the website of the Company at www.malachite.com.au, or the website of ASX at www.asx.com.au. Any person accessing the electronic version of the Prospectus for the purposes of making an investment in the Company must be an Australian resident and must only access the Prospectus from within Australia.

The Prospectus available on the Company's website does not include an Entitlement and Acceptance Form. Eligible Shareholders wishing to take up their Entitlement should complete the paper copy of the personalised Entitlement and Acceptance Form which accompanies a paper copy of this Prospectus.

The Corporations Act prohibits any person passing onto another person the Shortfall Application Form unless it is attached to a hard copy of the Prospectus or it accompanies the complete and unaltered version of the Prospectus. Any person may obtain a hard copy of the Prospectus free of charge by contacting the Company (or downloading it from the Company's website).

INVESTMENT HIGHLIGHTS AND RISKS

Key Risks

Lorena Gold Project

- The pre-feasibility of the project is yet to be finalised for an open cut operation.
 - The expected transition to an underground operation requires further resource additions at depth down plunge from the current resource estimate. These resource additions may not occur when drill tested.
 - Further metallurgical investigations may reveal problems in obtaining sufficient recovery of gold to render the project economic.
 - The production of a gold concentrate may be subject to penalties from impurities which may make the product difficult to sell.
 - The capital to develop the project is subject to funding which may not be available.
 - The project economics are sensitive to movements in the gold price in Australian dollars.
 - Although no issues have been identified to date, an environmental assessment of the project has not been completed.
 - A mining proposal for Lorena may encounter regulatory barriers which may restrict access to or advancement of the project, causing extended delays.
 - Expected repetitions or additional deposits on the adjoining tenements may not be found or if found, may not be economic to mine.
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Conrad Silver Project

- The average grade of the identified resource may not be high enough to support economic mining.
 - Future drilling may fail to intersect the anticipated extensions to the known resource.
 - Metallurgical investigations may reveal problems in recovering sufficient amounts of the contained metals to render the project economic.
 - Regulatory barriers may restrict access to or advancement of the project, causing extended delays.
 - The project economics are sensitive to movements in the silver price in Australian.
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Mancala Option

- The Company does not currently intend to commit resources to the development of the Conrad project. Accordingly, if Mancala does not exercise the option by 30 November 2012, the Board may need to consider making a provision or writing down the carrying value of the project in its accounts.
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Please refer to the Risk Factors set out in Section 5 of this Prospectus for further details.

Investment Highlights

The Company has two main projects, the Lorena Gold Project and the Conrad Silver Project.

Lorena Gold Project.

The Lorena Gold Project is located some 15km east of Cloncurry in Queensland.

At present, Lorena comprises a measured and indicated resource of 182,600 tonnes at 8.8g/t Au, containing 51,500 ounces of gold, and an inferred resource of 20,600 tonnes at 7.7g/t, containing 5,100 ounces of gold, for a total resource of 56,600 ounces at a 2g/t Au cut-off grade.

The Company is currently conducting a pre-feasibility of an initial open cut operation with the expectation of additional resources being delineated at depth to support an underground operation.

Work to date on the pre-feasibility study has mainly concentrated on metallurgical test work to define the best process route. The results of this pre-feasibility work have been positive.

Earlier this year the Company completed a three diamond drill hole program for exploration at Lorena with the primary objective to provide a platform for down-hole electromagnetic (“DHEM”) geophysical surveying. The first of these holes, LMRD092, intersected 5.3 metres at 12.9g/t Au (including 1.4 metres at 32.9g/t Au) and 0.4 metres at 20.3g/t Au, which appears to be new, high grade gold zone at a depth of approximately 70 metres below the known resource and more than 200 metres vertically below the surface.

The DHEM geophysics survey identified two large, strong electromagnetic conductors, suggesting possible depth extensions to the existing known gold lodes. These two DHEM conductors, combined with extensions around the gold intersection in hole LMRD092 will be a priority for the Company’s exploration at Lorena.

Recent exploration on newly granted EPM18908, near Lorena, has delivered some strongly encouraging results at the Lady Mary Prospect. The prospect occurs on the contact between the Mt Norna Quartzite and the Toole Creek Volcanics, the same geological setting as that of Malachite’s Copperhead Prospect (on EPM18189), 3 km to the south. This contact appears to be an important geological control on mineralisation and the Company has now begun prospecting the balance of the 7km of strike length of this contact on tenements held by the Company.

The majority of proceeds raised from the Rights Issue will be spent on further feasibility work and exploration at the Lorena Gold Project.

Conrad Silver Project.

The Conrad Silver Project is located about 25km south of Inverell in northern New South Wales. The Company has spent over \$9 million to date on the exploration and evaluation of the Conrad mineral system, where resources defined so far contain about 10 million ounces of silver, 7,000 tonnes of tin, 39,000 tonnes of lead, 18,000 tonnes of zinc and 5,000 tonnes of copper.

The Company executed an option agreement with Mancala Resources Pty Ltd with respect to the Company’s wholly-owned Conrad Silver Project.

Pursuant to the option agreement, Mancala has an exclusive six-month period (expiring 30 November 2012) to carry out a more in-depth evaluation of the Conrad Silver Project at Mancala’s cost. At the end of the option period, Mancala may elect to carry out a feasibility study, at its own expense (estimated at \$5 million), to verify project economics. Upon

completion of this feasibility study, Mancala will earn a 50% interest in the Project. Mancala can then earn an additional 10% of the Project by arranging the financing for the Project.

Given the option arrangement with Mancala, the Company is likely to commit only minimal Rights Issue proceeds to the Conrad Silver Project.

COMPETENT PERSON STATEMENT:

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Dr Garry Lowder, who is the Non-Executive Chairman of the Company and is a Fellow of the Australasian Institute of Mining and Metallurgy. Dr Lowder has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activities which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' Dr Lowder consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

1. CHAIRMAN'S LETTER

Dear Shareholder

It is with pleasure that I invite you to participate in the Company's new Rights Issue, which is underwritten by Patersons Securities Limited and is being made principally to provide funds to advance our Lorena Gold Project.

As you are aware, the Company recently raised \$1 million by way of a Placement at 1.0 cents per share which was announced to the ASX on 26 September 2012. Those funds in conjunction with the funds raised by the Company under this Rights Issue will provide funding for ongoing exploration at Lorena, allow the continuation of preliminary feasibility studies at Lorena, allow maintenance of our other exploration assets and provide for working capital.

I believe we can look forward to a steady flow of news from the Lorena project, as exemplified by the recently announced and encouraging high grade gold results at the Lady Mary prospect. For a more detailed description of the proposed application of the funds to be raised under the Offer please see Section 2.15 and Section 3.

For Malachite the outlook is enhanced further by the comparatively high grade of the existing gold resource at Lorena, implying scope for a low cost, high margin mining operation.

For these reasons I urge you to recognise that Malachite is at an exciting new stage in its growth and development as a mining company. I invite you therefore to take up your entitlement under the Offer.

Yours faithfully,



G G LOWDER
Chairman

2. DETAILS OF THE OFFER

This Section provides an overview of the Rights Issue. Before deciding whether to subscribe for New Shares and New Options under this Prospectus, you should read this Prospectus in its entirety.

2.1. The Offer

The Offer being made in this Prospectus comprises a non-renounceable Rights Issue and an offer of New Options to Patersons Securities Limited, as follows:

Rights Issue

Eligible Shareholders are offered the right to subscribe for new, fully paid ordinary shares in the Company ("New Shares"), at a price of 1.0 cent per share, on the basis of 1 New Share for every 9 Shares held at the Record Date.

Upon successfully subscribing for New Shares you will also be issued, with 1 attaching option to subscribe for 1 fully paid ordinary share in the Company, exercisable at 1.5 cents expiring on 31 March 2015 ("New Option"), on the basis of 1 New Option for each 2 New Shares issued.

Where fractions arise in the calculation of entitlements, they will be rounded up to the next whole number.

The number of New Shares to which an Eligible Shareholder is entitled is shown on the personalised Entitlement and Acceptance Form that accompanies the copy of the Prospectus sent to each Eligible Shareholder.

Only Eligible Shareholders are entitled to participate in the Rights Issue. Please refer to Section 7 for information about how to sell or take up your rights.

The Rights Issue will close on 1 November 2012 or such later date as the Directors may determine ("the Closing Date"). Notice of any decision to extend the period of the Rights Issue must be given at least 6 business days prior to the Closing Date by an announcement to ASX.

All New Shares issued pursuant to the Rights Issue under this Prospectus will rank equally with existing shares in the Company. The terms and conditions of the New Shares and the New Options are set out in Section 6.1.

New Options to Underwriter

In consideration for Patersons Securities Limited underwriting the Rights Issue, the Company has agreed to issue Patersons Securities Limited 44,685,595 Underwriter Options. The Underwriter has the discretion to direct the Company to issue some or all of these New Options directly to sub-underwriters.

The terms of the New Options are set out in Section 6.2.

2.2. Underwriting

The Rights Issue is fully underwritten by Patersons Securities Limited. A summary of the significant terms of the Underwriting Agreement is set out in Section 6.6 of this Prospectus.

2.3. Eligibility of Shareholders for the Offer

The Rights Issue Offer is made only to those Shareholders whose registered address is in Australia, New Zealand or Singapore as at 7.00pm (Sydney time) on the Record Date (“Eligible Shareholders”).

Shareholders whose registered address is not in Australia, New Zealand or Singapore, or who become registered holders of Shares in the Company after the Record Date, are not eligible to participate in the Offer.

An Entitlement and Acceptance Form setting out Eligible Shareholders’ Entitlements accompanies the hard copy of this Prospectus distributed to Eligible Shareholders.

Eligible Shareholders who do not take up their Entitlement in full may, as a result of this Rights Issue, have their percentage shareholding in the Company diluted.

Eligible Shareholders are also invited to apply for Shortfall Securities arising out of any existing Shareholders not taking up all or part of their Entitlement, by completing the section of the personalised Entitlement and Acceptance Form which deals with Shortfall Securities. Section 7.3 of this Prospectus provides further information regarding Applications for Shortfall Securities.

2.4. Public Offer

Members of the public who are not Eligible Shareholders whose registered address is in Australia may subscribe for Shortfall Securities under this Prospectus by submitting a properly completed Shortfall Application Form. Members of the public whose registered address is not in Australia, may not subscribe for Shortfall Securities. The Entitlements of Eligible Shareholders will be satisfied in full prior to any Shortfall Securities being allotted to members of the public in respect of such Applications. Upon Entitlements of Eligible Shareholders being satisfied, Shortfall Securities will be allotted between Eligible Shareholders who have applied for Shortfall Securities, members of the public who submit a valid Shortfall Application Form and sub-underwriters (at the discretion of the Underwriter).

A Shortfall Application Form is attached to this Prospectus and will be included in the Prospectus that is available on the Company’s website.

2.5. Eligible Shareholder Entitlements

The Entitlement of each Eligible Shareholder is shown on the personalised Entitlement and Acceptance Form.

2.6. Closing Dates and Payment for Securities

The Closing Date for acceptance of Entitlement and Acceptance Forms and Shortfall Application Forms is 5:00pm (Sydney time) on 1 November 2012.

Cheques must be drawn in Australian currency on an Australian bank and made payable to 'Malachite Resources Limited – Share Purchase Account and crossed 'Not Negotiable'. Shareholders are asked not to forward cash by mail. Receipts for payment will not be issued.

Eligible Shareholders may submit payments for New Shares applied for using BPAY®. In order to use BPAY®, please follow the instructions set out on the Entitlement and Acceptance Form. If you make payment by BPAY®, you do not need to return your Entitlement and Acceptance Form.

Members of the general public may not make payment for Shortfall Securities via BPAY®.

2.7. Allotment of Securities

The New Shares and New Options will be allotted and issued no more than 6 Business Days after the Closing Date. Holding statements will be dispatched as soon as practicable after allotment and issue of the securities.

Until the allotment and issue of the New Shares and New Options under this Prospectus, Application monies will be held by the Company in trust in a separate bank account maintained for that purpose only. Any interest earned on Application monies will be for the benefit of the Company and will be retained by the Company irrespective of whether allotment takes place.

2.8. ASX Quotation

On or within 7 days of the date of this Prospectus we will make application for the New Shares and the New Options issued pursuant to the Offer to be granted quotation on the Official List of the ASX.

If ASX does not grant Official Quotation of the New Shares and the New Options within 3 months after the date of the Prospectus then the New Shares and New Options will not be allotted and Application monies will be repaid in full without interest.

Quotation of the New Shares and the New Options on the Official List of the ASX does not in any way indicate an endorsement by the ASX of the Company, our projects or the New Shares and New Options. The ASX takes no responsibility for the contents of this Prospectus.

2.9. CHESS System

We participate in the Clearing House Electronic Subregister System ("CHESS"). ASX Settlement and Transfer Corporation Pty Limited (ACN 008 504 532) ("ASTC"), a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and Securities Clearing House Business Rules.

Under CHESS, Shareholders will not receive certificates for their New Shares and New Options but will receive a statement of their holdings indicating the allotment of their New Shares and New Options pursuant to their acceptance of the Offer made under this Prospectus.

Shareholders who are broker-sponsored will receive a CHESS statement from ASTC.

Shareholders registered under the Issuer Sponsored subregister will receive a statement from Computershare Investor Services Pty Ltd.

A CHESS statement or Issuer Sponsored statement will routinely be sent to Shareholders at the end of any month in which the balance of their shareholding or option-holding changes. Shareholders may also request a statement at any other time, although a charge may be made for this additional service.

2.10. Rights and Liabilities attaching to the New Shares and New Options

From allotment, the New Shares issued pursuant to this Prospectus, will rank equally in respect of dividends and in all other respects (e.g. voting, bonus issues) as existing Shares.

A summary of the rights and liabilities attaching to the New Shares and New Options is set out in Sections 6.1 and 6.2 of this Prospectus.

2.11. International Shareholders

This Offer does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer. Shareholders who do not have a registered address in Australia, New Zealand or Singapore are not eligible to participate in the Offer. The laws of jurisdictions outside of Australia, New Zealand and Singapore may restrict the distribution of this Prospectus. Anyone who comes into possession of this Prospectus outside Australia, New Zealand or Singapore should seek advice on and observe any such restrictions. A failure to comply with those restrictions may constitute a violation of applicable securities laws.

We are of the view that it is unreasonable to extend the Rights Issue to Shareholders with registered addresses outside Australia, New Zealand or Singapore, having regard to:

- the small number of Shareholders with registered addresses outside Australia, New Zealand and Singapore;
- the number and value of the New Shares which would be offered to ineligible Shareholders; and
- the cost of complying with the legal requirements and requirements of the regulatory authorities, in the respective overseas jurisdictions.

Accordingly, this Offer will not be made to International Shareholders. This Prospectus is sent to International Shareholders for information purposes only. In order for a

Shareholder to participate in the Offer, the Shareholder must be resident in Australia, New Zealand or Singapore at the Record Date.

The New Shares and New Options are not being offered or sold to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of New Shares and New Options is being made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2002 (New Zealand).

This Prospectus has not been registered, filed with or approved by any New Zealand regulatory authority under the Securities Act 1978 (New Zealand). This Prospectus is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

This Prospectus does not constitute an offer for sale of the New Shares or New Options or any right to a security into the United States or to U.S. persons. The New Shares and New Options have not been, and will not be, registered under the U.S. Securities Act and must not be offered or sold within the United States or to U.S. persons unless they are registered under the U.S. Securities Act or an exemption from the registration required of the U.S. Securities Act is available.

Eligible Shareholders holding Shares on behalf of persons who are resident outside Australia, New Zealand and Singapore are responsible for ensuring that participation in the Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form or payment by BPAY® will constitute a representation that there has been no breach of such regulations. Shareholders who are nominees are therefore advised to seek independent advice as how they should proceed. Where the Offer has been dispatched to a Shareholder domiciled outside Australia, New Zealand or Singapore and where the country's securities code or legislation prohibits or restricts in any way the making of the offers contemplated by this Prospectus, the Prospectus is provided for information purposes only.

2.12. Singaporean Shareholders

This Prospectus and any other materials relating to the New Shares and New Options have not been, and will not be, lodged or registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the New Shares and New Options may not be circulated or distributed, nor may any New Shares or New Options be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This Prospectus has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) a "relevant person" (as defined in section 275(2) of the SFA). In the event that you are

not an investor falling within any of the categories set out above, please return this Prospectus immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares or New Options being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares or New Options. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

2.13. Position of Option Holders

The terms of the options that are issued as at the date of this Prospectus do not entitle holders to participate in the Offer.

In order to participate in the Offer, a holder of options must, to the extent eligible under the terms of such options, promptly exercise the options so that, upon exercise, shares are allotted on or before 15 October 2012.

Where a pro-rata issue is made (except a bonus issue) to the holders of underlying securities, the exercise price of an Option will be reduced according to the following formula:

- the new exercise price of the Option is equal to the old exercise price of the Option, less a value attributed to the right as calculated in accordance with a formula;
- that formula (for valuing the right) is:

$$\frac{E[P - (S + D)]}{N + 1}$$

where:

- “E” = the number of Shares into which one Option is exercisable;
Note: E is one, unless the number has changed because of a bonus issue.
- “P” = the average market price per Share (weighted by reference to volume) during the 5 trading days ending on the day before the ex rights date or ex entitlements date (calculated in accordance with Listing Rule 6.2.2.2);
- “S” = the subscription price for a security under the pro rata issue;
- “D” = the dividend due but not yet paid on existing Shares (except those to be issued under the pro rata issue);
- “N” = the number of Shares with rights or entitlements that must be held to receive a right to one new security.

2.14. Issue Expenses

The estimated expenses of the Rights Issue including the underwriting fees, professional fees, registry services and printing and postage are approximately \$100,000.

2.15. Application of Funds Raised

The purpose of the Offer is to raise funds for further exploration and evaluation of the Company's Lorena Project and working capital, as follows:

Use of Funds	Amount \$
Lorena Project	\$600,000
Conrad Project	\$30,000
Working Capital	\$163,712
Costs of the Offer	\$100,000
TOTAL	\$893,712

The above use of funds is based on the Company's existing tenement portfolio, and in accordance with prudent management of the tenement portfolio, we will continue to monitor the prospectivity of our tenements and will assess new opportunities as and when they arise. Accordingly, funds may from time to time be applied toward existing and new tenements as management shall determine from time to time.

Shareholders are strongly urged to read Section 3 of this Prospectus carefully so as to better understand the purpose of the Offer, how the funds to be raised under the Rights Issue will be applied, the key assumptions involved and the potential impact the new funding will have on the Company's future growth and enterprise value.

3. PURPOSE AND EFFECT OF THE OFFER

The proceeds of the Rights Issue will be mainly used to continue the pre-feasibility work and carry out exploration at the Lorena Gold Project.

LORENA GOLD PROJECT – WORK PROGRAM FOR THE BALANCE OF 2012-2013

The work program is to finalise the pre-feasibility concentrating on the capital and operating costs of the metallurgical processing of the ore and to finalise the environmental assessment. In conjunction the Company will carry out exploration either at depth at Lorena or on surrounding tenements upon which a number of recently discovered prospects have been identified.

4. EFFECT OF THE OFFER ON THE COMPANY

4.1 The effect of the Offer on the Company's issued share capital will be as follows:

Malachite Resources Limited Capital Structure

Shares

Number of Existing Shares (prior to the Rights Issue)	Number of New Shares to be Issued Under this Prospectus	Total Shares on issue upon completion of the Offer
804,340,700	89,371,189	893,711,889

**Assuming no existing options are exercised prior to the Record Date.*

Unlisted Options

Expiry Date	Exercise Price	Number
21 April 2013	10 cents	2,000,000
25 November 2013	20 cents	6,750,000
22 November 2012	43.1 cents	6,660,000
29 October 2012	11.1 cents	7,500,000
30 November 2012	11.1 cents	14*
28 February 2013	10 cents	9,305,000
25 May 2015	10 cents	28,500,000
TOTAL		60,715,014

** These options are the options that were issued to vendors during the Company's acquisition of the Lorena Gold Project (refer to Section 3) in 2011. Upon exercise the Company may be required to issue up to 14,925,000 Shares. As disclosed in the Company's Notice of 2010 Annual General Meeting, the purpose of the issue of these options was to provide the Lorena Gold Project vendors with the right to avoid any dilution that might occur as a result of Nanyang Resources Investment Pty Ltd exercising the options that were granted to it in early 2010. Shareholders approved the issue of these options at the Company's 2010 Annual General Meeting.*

Listed Options

New Options to be Issued Under this Prospectus	New Options to be issued to Underwriter and sub-underwriters	New Options to be issued to placement participants	Total Listed Options upon completion of the Offer and the issue of New Options to the Underwriter and sub-underwriters
44,685,595	44,685,595*	52,457,002*	141,828,191

**The issue of these options is subject to prior shareholder approval which will be sought by the Company at the Annual General Meeting of the Company which is to be held on 28 November 2012. In the event Shareholder approval is not obtained at the Annual General Meeting, the Directors will issue the options from the 15% capacity available to them pursuant to ASX Listing Rule 7.1. Refer to Section 6.6 of this Prospectus for more details.*

Convertible Notes

Holder	Number of Convertible Notes	Face Value of each Note	Conversion Price	Minimum Number of Shares to be issued upon conversion	Number of bonus Shares to be issued to holder upon conversion of notes.
Sun Biomedical Limited	5	\$100,000	The lesser of \$0.05 or a 20% discount to the volume weighted average price of the Company's Shares at the time of conversion	2,000,000 Shares per note	250,000 Shares per note
Heavy Duty Superannuation Pty Ltd atf the Heavy Duty Superannuation Fund	5	\$100,000	The lesser of \$0.05 or a 20% discount to the volume weighted average price of the Company's Shares at the time of conversion	2,000,000 Shares per note	250,000 Shares per note

Cash Position

Completion of the Offer will also have the effect of increasing the Company's cash reserves by approximately \$790,000 (after deducting estimated costs of the Rights Issue and taking into account the conversion of loans into equity by the sub-underwriters as set out in Section 6.9), providing funds to advance the objectives of the Company as set out in Section 3 of this Prospectus.

In the event all of the New Options are exercised, the Company will raise an additional \$1,340,567.85.

4.2 Market Prices of Existing Shares on ASX

The highest and lowest market sale price of the Company's Shares on the ASX, during the three months immediately preceding the lodgement of this Prospectus with ASIC and the respective dates of those sales are set out below:

Highest: 2.3 cents on 12 September 2012.

Lowest: 0.6 cents on 7 August 2012.

The last market sale price on the second day prior to the date of lodgement date of this Prospectus with ASIC was \$0.011.

4.3 Financial Statements

Set out below is a *pro forma* Statement of Financial Position for the Company after taking into account the effect of the Rights Issue. This statement is based on the accounts of the Company as at 30 June 2012, which were subject to statutory financial statements audit performed by PricewaterhouseCoopers and lodged with the ASX on 27 September 2012.

The *pro forma* Consolidated Statement of Financial Position illustrates the effect of:

A: The issue of 104,914,004 fully paid ordinary shares at 1.0 cent raising \$1,049,140;
and

B: The Rights Issue is based on the following assumptions:

1. All Shareholders are Eligible Shareholders;
2. As the Offer is fully underwritten, the Rights Issue will result in the Company issuing an additional 89,371,189 New Shares;
3. No outstanding existing Options are exercised by the Record Date;
4. The activities of the Company since 30 June 2012 are not recognised in the *pro forma* Statement of Financial Position.

MALACHITE RESOURCES LIMITED			
PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION			
	Actual	Pro Forma	Pro Forma
	30 June	Post Placement	Post Rights Issue
	2012	2012	2012
	\$	\$	\$
	(Audited)	(Non-audited)	(Non-audited)
CURRENT ASSETS			
Cash and cash equivalents	358,095	1,407,235	2,300,947
Receivables	107,321	107,321	107,321
Assets classified as held for sale ²	375,000	375,000	375,000
TOTAL CURRENT ASSETS	840,416	1,889,556	2,783,268
NON-CURRENT ASSETS			
Receivables	507,454	507,454	507,454
Plant and equipment	783,197	783,197	783,197
Exploration and evaluation expenditure	34,039,886	34,039,886	34,039,886
TOTAL NON-CURRENT ASSETS	35,330,537	35,330,537	35,330,537
TOTAL ASSETS	36,170,953	37,220,093	38,113,805
CURRENT LIABILITIES			
Payables	234,918	297,866	397,866
Borrowings	997,251	997,251	997,251
TOTAL CURRENT LIABILITIES	1,232,169	1,295,117	1,395,117
NON CURRENT LIABILITIES			
Borrowings	58,645	58,645	58,645
TOTAL NON CURRENT LIABILITIES	58,645	58,645	58,645
TOTAL LIABILITIES	1,290,814	1,353,762	1,453,762
NET ASSETS	34,880,139	35,866,331	36,660,043
EQUITY			
Contributed equity	54,013,516	54,999,708	55,793,420
Option Expense Reserve	1,803,688	1,803,688	1,803,688
Accumulated Losses	(20,937,065)	(20,937,065)	(20,937,065)
TOTAL EQUITY	34,880,139	35,866,331	36,660,043

Notes to Pro Forma Balance Sheet:

1. Proceeds of Rights Issue in the amount of \$893,712 added less estimate of costs associated with the Rights Issue in the amount of \$100,000. The estimated costs of the Rights Issue, amounting to approximately \$100,000, are recognised as a decrease in Contributed Equity.
2. The Pro-Forma has not been adjusted for any accounting treatment that may apply to the variation and extension of the Convertible Notes (Current Liabilities/Borrowings).

5. RISK FACTORS

5.1 Introduction

This Section identifies the areas the Directors regard as the key risks associated with an investment in the Company. Potential investors should be aware that an investment in the Company involves many risks, which may be higher than the risks associated with an investment in other companies. Accordingly, the New Shares and the New Options to be issued under this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those New Shares and New Options. Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for New Shares and New Options in the Company.

The following summary, which is not exhaustive, represents some of the key risk factors potential investors need to be aware of as they may in the future materially affect the financial performance of the Company and the value of New Shares and the New Options to be issued under this Prospectus. Potential investors should read the whole of this Prospectus in order to appreciate such matters and the manner in which the Company intends to operate before any decision is made to apply for New Shares and the New Options.

There are numerous widespread risks associated with investing in any form of business and with investing in the share market generally. There is also a range of more specific risks associated with the Company's business and its involvement in the exploration and mining industry. These risk factors are largely beyond the control of the Company and its directors because of the nature of the proposed business of the Company.

5.2 Specific risks relating to Malachite

Lorena Gold Project

The Lorena Gold Project in broad terms consists of the exploration, evaluation and possible development of a gold deposit located approximately 15km east of Cloncurry in northwest Queensland. The Company is currently carrying out a pre-feasibility of the project for a potential initial open cut operation which may lead to an underground operation. Specific risks relating to Lorena include but are not limited to:

- The pre-feasibility of the project is yet to be finalised for an open cut operation.

- The expected transition to an underground operation requires further resource additions at depth down plunge from the current resource estimate. These resource additions may not occur when drill tested.
- Further metallurgical investigations may reveal problems in obtaining sufficient recovery of gold to render the project economic.
- The production of a gold concentrate may be subject to penalties from impurities which may make the product difficult to sell.
- The capital to develop the project is subject to funding which may not be available.
- The project economics are sensitive to movements in the gold price in Australian dollars.
- Although no issues have been identified to date, an environmental assessment of the project has not been completed.
- A mining proposal for Lorena may encounter regulatory barriers which may restrict access to or advancement of the project, causing extended delays.
- Expected repetitions or additional deposits on the adjoining tenements may not be found or if found, may not be economic to mine.

Conrad Silver Project

The Conrad Silver Project consists of the exploration, evaluation and possible development of a polymetallic (silver-tin-copper-lead-zinc) mineral deposit located approximately 25km south of Inverell in northern New South Wales. The Conrad Project is currently at a scoping stage of development. Specific risks relating to Conrad include but are not limited to:

- The average grade of the identified resource may not be high enough to support economic mining.
- Future drilling may fail to intersect the anticipated extensions to the known resource.
- Metallurgical investigations may reveal problems in recovering sufficient amounts of the contained metals to render the project economic.
- Regulatory barriers may restrict access to or advancement of the project, causing extended delays.
- The project economics are sensitive to movements in the the silver price in Australian dollars.

Mancala Option

Mancala Resources Pty Ltd (**Mancala**) and Conrad Silver Mines Pty Ltd (**CSM**) entered into an Option Agreement on 6 June 2012 under which Mancala was granted a sole and exclusive six month option to enter into a Farm-in Agreement with CSM by 30 November 2012 with respect to the Conrad Silver Project. In consideration of the grant of the option, Mancala must at its own expense finalise a mining study and engage consultants to undertake studies into environmental, infrastructure, processing, approval processes and marketing requirements. Mancala must also deliver a work program at its own expense. Upon exercise of the option and entry into the Farm-In Agreement Mancala has the right to earn a 50% interest in the project by funding and completing a feasibility study which is expected to cost in the order of \$5million, within a 2 year period. Upon completion of the feasibility study Mancala

will have the right to earn a further 10% interest in the project by arranging project financing acceptable to CSM.

The Company does not currently intend to commit resources to the development of the Conrad project. Accordingly, if Mancala does not exercise the option by 30 November 2012, the Board may need to consider making a provision or writing down the carrying value of the project in its accounts.

Other Projects

All of our other projects are at the exploration stage only and thus all the inherent risks of exploration remain for each of them.

Tenure and Access

Mining and exploration tenements are subject to periodic renewal. There is no guarantee that current or future tenements or future applications for production tenements will be approved.

Our tenements are subject to numerous State and Territory specific legislative conditions. The renewal of the term of a granted tenement is also subject to discretion of the relevant Minister. Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements comprising our projects. The imposition of new conditions or the inability to meet those conditions may adversely affect our operations, financial position and/or performance.

Reliance on Key Management

The responsibility of overseeing the day-to-day operations and the strategic management of the Company is substantially dependent upon our senior management, key personnel and consultants. There can be no assurance given that there will be no detrimental impact on the Company if one, or a number of, those employees or consultants cease their employment or engagement with the Company.

Speculative Nature of Exploration and Mining

Exploration for and mining of minerals is highly speculative and no assurance can be given that production will be obtained from the areas in which we have or may acquire an interest, or that production and marketing of any materials discovered by the Company will prove to be economic.

Should a discovery be made, there is no guarantee that it will be commercially viable for a host of factors beyond our control, for example, the economics of mining operations. While the Directors will make every effort to reduce the above risks through their experience in the exploration and mining industry, the fact remains that a commercially viable mineral discovery is very much the exception rather than the rule and success can never be guaranteed. Until we are able to realise value from our projects, we are likely to incur ongoing operating losses.

In summary, mineral exploration, project development and mining by their nature contain elements of significant risk. Ultimate and continuous success of these activities is dependent on many factors such as:

- the discovery and/or acquisition of economically recoverable Ore Reserves;
- successful conclusions to bankable feasibility studies;
- access to adequate capital for project development;
- design and construction of efficient mining and processing facilities within capital expenditure budgets;
- securing and maintaining title to tenements;
- obtaining consents and approvals necessary for the conduct of exploration and mining; and
- access to competent operational management and prudent financial administration, including the availability and reliability of appropriately skilled and experienced employees.

Other factors that could affect our operations include:

- failure to achieve predicted grades in exploration and mining;
- poor performance levels from external contractors;
- operational and technical difficulties encountered in mining;
- difficulties in commissioning and operating plant and equipment;
- availability of suitable plant and expertise from contractors and consultants;
- mechanical failure or plant breakdown;
- unanticipated metallurgical problems which may affect extraction rates and costs;
- adverse weather conditions;
- industrial and environmental accidents;
- industrial disputes;
- availability of water and power; and
- unexpected shortages or increases in the costs of labour, consumables, spare parts, plant and equipment.

Consequently, there can be no assurance that through the projects we will be able to develop and commercialise mineral extraction from its tenements and generate positive cashflow to sustain our financial viability.

Environmental Risks

Environmental risks are inherent in mining operations. We adopt practices which we believe are appropriate to minimise the potential of causing environmental damage in all our operations, but no assurance can be made that we will not be affected by environmental claims or issues in the future.

We are strongly committed to conducting our operations in an environmentally responsible manner, applying the highest standards and industry best practice to all our field activities. Surface disturbance is kept to a minimum, but where it is necessary, full cognisance is given to the environmental impact of the work to be carried out. Relevant government approvals are obtained and measures are taken to minimise the environmental impact and to ensure that following the activities

involved, the land is restored and rehabilitated to as close as possible to its original condition.

For example, if trenching is required for mapping and geochemical sampling, the trenches are back-filled after the work is finished, the top soil is replaced and the surface is seeded with vegetation (usually grass) similar to that which already adjoins the trench, or otherwise as the land owner requires. Where possible, previously disturbed sites are re-visited periodically to ensure that the rehabilitation has been successful. A similar approach is taken to the rehabilitation of drill sites, where during drilling, temporary dams and erosion barriers are constructed to ensure that slimes and dirty water from the drilling do not escape into the surrounding area. Plastic sheeting and hessian are also placed on the ground beneath the drill rig to protect against drips and spillages of oil or other contaminants from the rig.

We are not aware of any complaints about our environmental practices from owners of land on which we have operated or from Government officers with regulatory responsibility.

Native Title and Aboriginal Heritage

In applying for certain tenements and carrying out exploration and/or mining operations, we must observe native title legislation (where applicable) and Aboriginal Heritage legislation which protects Aboriginal sites and objects of significance.

In certain circumstances the consent of registered native title claimants must be obtained prior to carrying out certain activities on land to which their claim relates. It is possible that the conditions imposed by native title claimants on such consent may be on terms unacceptable to the Company.

Development Risk/Profitability

Our commercial viability will be dependent upon the successful development and operation of the Lorena Gold Project together with any other activity that we may undertake. No assurances can be given that we will be able to initiate or sustain successful mining operations at Lorena or that operations will achieve commercial viability. Equally, no representation as to future profitability or dividends can be given.

Government and Regulatory Approvals

There can be no assurance that all of the relevant approvals and permits necessary to conduct mining operations will be granted by the relevant State government and regulatory authorities or that they will remain in good standing where already granted.

Ore Reserves and Mineral Resource Estimates

Ore Reserve and mineral resource estimates are expressions of judgment based on knowledge, experience and industry practice, and may require revision on actual production experience. The mineral resources estimates previously disclosed to the market for Lorena and Conrad are necessarily imprecise and depend to some extent

on statistical inferences, which may prove unreliable or be revised in the light of additional information that comes to hand.

Uninsured Loss and Liability

Exploration for and development of minerals involves hazards and risks that could result in us incurring losses and liabilities to third parties. There is a risk that we may not be insured against all losses or liabilities that could arise from our operations. If we incur losses or liabilities which are not covered by our insurance policies, the funds available for exploration and development will be reduced and the value and/or tenure of our assets may be at risk.

Funding Risk

Our ability to continue to explore is dependent upon our ability to raise funds as required from time to time. New funds for exploration are generally raised by way of the issue of new equity. Where these new funds are raised by the issue of new equity there may be dilution for existing Shareholders.

Occupational Health and Safety

There is an inherent risk of work place accidents occurring during the conduct of mining activity. We are totally committed to providing a safe and healthy work place for our employees and contractors. Our safety policy is displayed prominently at all operating sites. Hazardous activities are avoided wherever possible, but when necessary, all employees and contractors are provided with and required to wear personal protective equipment. Training is provided where it is needed and safety meetings are held at appropriate times in the course of our exploration activities. Our staff hold, or are encouraged to hold, current First Aid Certificates.

5.3 General Risks

There are risks involved with any investment in listed shares. The value of the New Shares and the New Options once listed on the ASX may rise or fall depending upon a range of factors and share conditions which are unrelated to the Company's future financial performance. Share market conditions are affected by many factors including, but not limited to:

- economic conditions in both Australia and internationally;
- investor sentiment and local and international share market conditions;
- changes in interest rates and the rate of inflation;
- changes in metal prices;
- changes to government regulation, policy or legislation;
- changes in exchange rates; and
- the nature of competition in the industry in which Malachite operates.

Some of these risks can be mitigated by the use of contingency plans and safeguards. However, many are outside the control of the Company and cannot be mitigated.

Like all businesses, we are affected by general economic conditions including the level of interest rates, inflation and consumer spending. Any prolonged downturn in

economic activity could be expected to have a negative impact on the Company. As a company having a smaller market capitalisation, the market in the Company's securities may suffer periods of illiquidity.

Commodity and Currency Price Volatility

Commodity prices are subject to influencing factors beyond the control of Malachite and can be subject to significant fluctuations. Some of these influencing factors include:

- world demand for particular commodities;
- the level of production costs in major commodity producing regions; and
- expectations regarding inflation, interest rates and US dollar exchange rates.

Any significant and/or sustained fluctuation in exchange rates or commodity prices could have a materially adverse affect on our operations and financial position.

Factors affecting commodity prices include:

- supply and demand fluctuations for specific commodities;
- hoarding and selling of gold by central banks across the world
- changes in investor sentiment toward gold;
- speculative trading;
- technological advancements;
- gold lending rates;
- forward selling activities; and
- macro-economic factors such as inflation and interest rates.

Economic Factors

Our future possible revenues, operating costs, Share price and returns to Shareholders may be affected by changes in factors such as:

- local and world economic conditions;
- inflation or inflationary expectations;
- currency movements;
- interest rates;
- supply and demand;
- levels of tax, taxation law and accounting practice;
- government legislation or intervention;
- industrial disruption; and
- natural disasters, social upheaval or war in Australia or elsewhere.

These factors are beyond the control of the Company and its Directors.

Currency Fluctuations

The future value of our Shares and options may fluctuate in accordance with movements in foreign currency exchange rates.

Taxation

Our profitability may be affected by changes in Australian and State government taxation laws and policies, including royalties payable in respect of mining operations in New South Wales and Queensland.

There may be tax implications arising from the acquisition of Securities, any possible receipt of dividends (both franked and un-franked) and the disposal of Securities. All prospective investors should carefully consider these tax implications and if uncertain as to the relevant taxation issues, obtain further advice from a qualified professional adviser. Tax liabilities are the responsibility of each individual investor and we will not be responsible for any tax or related penalties incurred by investors.

Production and Cost Estimates

By their very nature, production and cost estimates and assumptions are inherently subject to significant uncertainties. Actual results may materially differ from our estimates and assumptions and may materially and adversely affect our commercial viability and future results.

Geopolitical

Politics on a global, regional or local scale could impact our operations, our access to certain countries and our right to continue operating in a particular country. Acts of terrorism or outbreak of war may disrupt or prevent us from operating its business programs.

Regulatory

Our activities will require compliance with various laws relating to the protection and rehabilitation of the environment, health and safety, culture and heritage and other matters.

In addition we are required to obtain numerous government permits, leases, licences and approvals in respect of our exploration and mining operations.

There is a risk that we may not obtain or may lose permits, leases, licences or approvals, essential to our operations.

We cannot predict how existing, or future laws and regulations may be interpreted by enforcement agencies or court rulings, whether additional laws and regulations will be adopted, or the effect such changes may have on our business or financial condition.

Stock Market Risks

The market price of our shares may be significantly adversely affected by a variety of factors including (but not limited to) perceptions of, or variations in, general market conditions, operating performance, commodity prices, project and country risk, Board and management strength and expertise and a broad range of other factors which may or may not relate to our operations.

5.4 Other Risk Factors

Other risk factors include those normally found in conducting business including litigation resulting from the breach of agreements or in relation to employees (through personal injuries, industrial matters or otherwise) or any other cause, strikes, lockouts, loss of service of key management or operational personnel, non-insurable risks, delay in resumption of activities after reinstatement following the occurrence of an insurable risk and other matters that may interfere with our business or trade.

Before any decision is made to subscribe for New Shares, the above matters, and all other matters described in this document must be carefully considered. The New Shares and New Options to be allotted pursuant to this Prospectus should be regarded as speculative in nature and carry no guarantee with respect to the payment of dividends, return of capital or their market value.

Investment in Malachite is regarded as speculative and neither the Company nor any of its Directors guarantees that any specific objective of the Company will be achieved or that any particular performance of the Company or its securities, including the New Shares and New Options offered by this Prospectus will be achieved.

The above list of risk factors should not to be taken as exhaustive of the risks faced by us or our Shareholders. The above factors, and others not specifically referred to above, may in the future materially affect our financial performance and the value of our Shares.

6. ADDITIONAL INFORMATION

6.1. Rights and Liabilities Attaching to the Securities

6.1.1. Rights attaching to the Shares

The rights attaching to ownership of the Shares arise from a combination of:

- the constitution of Malachite; and
- in certain circumstances, the Corporations Act, the Listing Rules, the ASTC Settlement Rules and the general law.

The following is a summary of the more significant rights attaching to the Shares. This summary is not exhaustive nor does it constitute a definitive statement of the rights and liabilities of Malachite's Shareholders.

Further details of the rights attaching to Shares are set out in the constitution of Malachite, a copy of which can be inspected at Malachite's registered office during normal business hours.

(a) Variation of rights

The rights attached to any class of shares may, unless their terms of issue state otherwise, be varied with the written consent of the holders of 75% of the shares of the class or by special resolution passed at a separate meeting of the holders of shares of the class. The rights conferred on the holders of any class of shares are to be taken as not having been varied by the creation or issue of further shares ranking equally with them.

(b) Voting rights

Subject to the constitution, every shareholder has one vote on a show of hands and one vote for each fully paid share on a poll. However, for each partly paid share each shareholder has on a poll, a fraction of a vote equivalent to the proportion which the amount paid (but not credited as paid) on the share bears to the total amounts paid and payable (excluding amounts credited). Amounts paid or credited as paid in advance of a call are ignored when calculating this fraction.

Shareholders may appoint a proxy, an attorney or, where a shareholder is a body corporate, a representative to attend and vote at general meetings on their behalf. There is no entitlement to vote in respect of partly paid shares on which calls due and payable have not been paid.

Except in the case of any resolution which as a matter of law requires a special majority, a resolution is taken to be carried if a majority of the votes cast on the resolution are in favour of it. At a general meeting a resolution must be decided on a show of hands unless a poll is demanded. Should there be an equality of votes on a proposed resolution, the chairperson of the meeting, in addition to his or her deliberative vote has a casting vote.

(c) General meetings

The directors may resolve to call a general meeting whenever they think fit. The directors must convene an annual general meeting in accordance with the Corporations Act. Shareholders may also request or convene general meetings in accordance with the Corporations Act. Notice of general meetings must be given to every shareholder as required under the Corporations Act. The quorum for a general meeting is three shareholders present at the meeting and entitled to vote on a resolution at the meeting. If a quorum is not present within 30 minutes after the time appointed for the general meeting, the meeting will be dissolved where called at the request of shareholders or adjourned in any other case.

(d) Dividends

Subject to the Corporations Act, the directors may pay any interim and final dividends that, in their judgment, the financial position of the Company justifies. Subject to any rights or restrictions attached to any shares or class of shares, all dividends in respect of shares must be paid to the shareholders in proportion to the number of shares held by the shareholder, irrespective of the amounts paid or credited as paid on the share.

A shareholder is not entitled to a dividend on a share if a call has been made on the share and the call is due and unpaid.

(e) Capitalisation of profits

Subject to the Listing Rules, the rights or restrictions attached to any shares or class of shares and any special resolution of the Company, the directors may capitalise and distribute among the shareholders as would be entitled to receive dividends and in the same proportions, any amount:

- (i) forming part of the undivided profits of the Company;
- (ii) representing profits arising from an ascertained accretion to capital or from a revaluation of the assets of the Company;
- (iii) arising from the realisation of any assets of the Company, or
- (iv) otherwise available for distribution as dividend.

(f) Winding-up

Subject to the Corporations Act, the constitution of the Company and to the rights or restrictions attached to any shares or class of shares, if the Company is wound-up and the property of the Company available is more than sufficient to pay all of the debts and liabilities of the Company and the costs, charges and expenses of winding-up, the excess must be divided among shareholders in proportion to the number of shares held by them, irrespective of the amounts paid or credited as paid on their shares.

(g) Transfer of shares

A transfer of shares must be made in accordance with the Corporations Act, the constitution of the Company, the Listing Rules and the ASTC Settlement Rules.

A shareholder may transfer all or any of their shares by:

- an ASTC-regulated transfer within the meaning of the Corporations Regulations 2001; or
- a written transfer in any usual form or in any form approved by the directors.

The directors may decline to register a transfer or may request a holding lock be applied to prevent a transfer in accordance with the Listing Rules and the Corporations Act in certain circumstances, including where the transfer is not in registrable form or if the Company has a lien on any of the shares transferred.

6.2. Rights attaching to New Options

The following are the terms of the Options to be issued pursuant to this Prospectus.

6.2.1. Interpretation

- (a) ASX means ASX Limited (ACN 008 624 691);
- (b) Board means the board of directors of the Company;
- (c) Business Day means a day not being a Saturday, Sunday or public holiday, on which banks are generally open for business in Victoria;
- (d) Corporations Act means the Corporations Act 2001 (Cth) as amended from time;
- (e) Listing Rules means the official listing rules of the ASX;
- (f) New Option and New Options means the options to be issued to the Option holder on the terms detailed in these Terms of Options;
- (g) Official List has the meaning given to that term in the Listing Rules;
- (h) Quotation has the meaning given to that term in the Listing Rules;
- (i) Shareholder and Shareholders means a person who owns Shares in the capital of the Company, notwithstanding that those Shares may not be fully paid; and
- (j) Shares means fully paid ordinary shares in the capital of the Company.

6.2.2. Entitlement

- 6.2.2.1. Each New Option entitles the Option holder to subscribe for, and be allotted, one ordinary Share in the capital of the Company.
- 6.2.2.2. Shares issued on the exercise of New Options will rank equally with all existing Shares on issue, as at the exercise date, and will be subject to the provisions of the Constitution of the Company and any escrow restrictions imposed on them by the ASX.

6.2.3. Exercise of New Option

- 6.2.3.1. The New Options are exercisable at any time from the date of issue.
- 6.2.3.2. The final date and time for exercise of the New Options is 5pm (Sydney time) on 31 March 2015. If such date falls on a day that is not a Business Day, the final date will be the next Business Day.
- 6.2.3.3. The exercise price of each New Option is \$0.015.
- 6.2.3.4. Each New Option is exercisable by the Option holder signing and delivering a notice of exercise of New Option together with the exercise price in full for each Share to be issued upon exercise of each New Option to the Company's Share Registry.
- 6.2.3.5. Remittances must be made payable to '**Malachite Resources Limited -Share Purchase Account**' and cheques should be crossed 'Not Negotiable'.
- 6.2.3.6. All New Options will lapse on the earlier of the:
- (a) receipt by the Company of notice from the Option holder that the Option holder has elected to surrender the New Option; and
 - (b) expiry of the final date and time for exercise of the New Option as set out in paragraph 6.2.3.2.
- 6.2.3.7. In the event of liquidation of the Company, all unexercised New Options will lapse.
- 6.2.3.8. For every New Option that is exercised, the Option holder will receive 1 Share.

6.2.4. Quotation

- 6.2.4.1. Subject to the requirements of the Listing Rules, the Company intends to apply to the ASX for Official Quotation of the New Options, Shares.
- 6.2.4.2. If the Shares of the Company are quoted on the ASX, the Company will apply to the ASX for, and will use its best endeavours to obtain, quotation of all Shares issued on the exercise of any New Options within 10 Business Days (as defined in the Listing Rules) of issue. The Company gives no assurance that such quotation will be granted.

6.2.5. Participation in Securities Issues

Subject to paragraph 6.2.6 below, the holder is not entitled to participate in new issues of securities without exercising the New Options.

6.2.6. Participation in a Reorganisation of Capital

- 6.2.6.1. In the event of any reconstruction or reorganisation (including consolidation, sub-division, reduction or return of the capital of the Company), the rights of an Option holder will be changed in accordance with the Listing Rules of the

ASX applying to a restructure or reorganisation of the capital at the time of that restructure or reorganisation, provided always that the changes to the terms of the New Options do not result in any benefit being conferred on the Option holder which is not conferred on Shareholders of the Company.

6.2.6.2. In any reorganisation as referred to in paragraph 6.2.6.1, New Options will be treated in the following manner:

- (a) in the event of a consolidation of the share capital of the Company, the number of New Options will be consolidated in the same ratio as the ordinary share capital of the Company and the exercise price will be amended in inverse proportion to that ratio;
- (b) in the event of a subdivision of the share capital of the Company, the number of New Options will be subdivided in the same ratio as the ordinary share capital of the Company and the exercise price will be amended in inverse proportion to that ratio;
- (c) in the event of a return of the share capital of the Company, the number of New Options will remain the same and the exercise price will be reduced by the same amount as the amount returned in relation to each ordinary share;
- (d) in the event of a reduction of the share capital of the Company by a cancellation of paid up capital that is lost or not represented by available assets where no securities are cancelled the number of New Options and the exercise price of each New Option will remain unaltered;
- (e) in the event of a pro-rata cancellation of shares in the Company, the number of New Options will be reduced in the same ratio as the ordinary share capital of the Company and the exercise price of each New Option will be amended in inverse proportion to that ratio; and
- (f) in the event of any other reorganisation of the issued capital of the Company, the number of New Options or the exercise price or both will be reorganised (as appropriate) in a manner which will not result in any benefits being conferred on the Option holder which are not conferred on shareholders.

6.2.7. Adjustments to New Options and Exercise Price

6.2.7.1. Adjustments to the number of Shares over which New Options exist and/or the exercise price may be made as described in paragraph 6.2.6.1 to take account of changes to the capital structure of the Company by way of pro-rata bonus and cash issues.

6.2.7.2. The method of adjustment for the purpose of paragraph 6.2.7.1 shall be in accordance with the Listing Rules of the ASX from time to time, which, under Listing Rules 6.22.2 and 6.22.3, currently provide:

(a) **Pro Rata Cash Issues**

Where a pro-rata issue is made (except a bonus issue) to the holders of underlying securities, the exercise price of a New Option may be reduced according to the following formula:

$$O' = \frac{O - E[P - (S + D)]}{N + 1}$$

where:

- O' = the new exercise price of the New Option.
- O = the old exercise price of the New Option.
- E = the number of underlying securities into which one New Option is Exercisable.
- P = the average market price per security (weighted by reference to volume) of the underlying securities during the 5 trading days ending on the day before the ex rights date or ex entitlements date.
- S = the subscription price for a security under the pro-rata issue.
- D = the dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro-rata issue).
- N = the number of securities with rights or entitlements that must be held to receive a right to one new security.

(b) **Pro-Rata Bonus Issues**

If there is a bonus issue to the holders of the underlying securities, on the exercise of any New Options, the number of Shares received will include the number of bonus Shares that would have been issued if the New Options had been exercised prior to the record date for bonus issues. The exercise price will not change.

6.2.8. Takeovers and Schemes of Arrangement

- 6.2.8.1. If during the currency of any New Options and prior to their exercise a takeover offer or a takeover announcement (within the meaning of the Corporations Act) is made to holders of Shares then within 10 Business Days after the Company becomes aware of the offer, the Company must forward a notice notifying the Option holder of the offer and from the date of such notification, the Option holder has 60 days within which to exercise the New Options notwithstanding any other terms and conditions applicable to the New Options or arrangement. If the New Options are not exercised within 60 days after notification of the offer, the New Options may be exercised at any other time according to their terms of issue.
- 6.2.8.2. If an offer for shares in the Company is made to Shareholders pursuant to a scheme of arrangement which has been approved in accordance with the Corporations Act, the Option holder will be entitled to exercise New Options within the period notified by the Company.

6.2.9. Transfers

The New Options are freely transferable.

6.2.10. Notices

Notices may be given by the Company to the Option holder in the manner prescribed by the Constitution of the Company for the giving of notices to Shareholders and the relevant provisions of the Constitution of the Company will apply with all necessary modification to notices to be given to the Option holder.

6.2.11. Rights to Accounts

The Option holder will be sent all reports and accounts required to be laid before Shareholders in general meeting and all notices of general meeting of Shareholders, however, if the Option holder is not a Shareholder, the Option holder will not have any right to attend or vote at these meetings.

6.3. Malachite is a Disclosing Entity

We are a disclosing entity for the purposes of the Corporations Act and, as such, we subject to regular reporting and disclosure requirements. As a listed company, we are required to comply with all applicable continuous disclosure and reporting requirements in the Listing Rules. We have an obligation under the ASX Listing Rules (subject to certain exceptions) to disclose to ASX any information of which it is or becomes aware concerning Malachite and which a reasonable person would expect to have a material effect on the price or the value of shares. All such disclosures are available at www.asx.com.au.

The ASX maintains records of company announcements for all companies listed on the ASX. Our announcements may be viewed on the ASX's website at www.asx.com.au.

Copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at an office of ASIC.

6.4. Section 713 Prospectus

This Prospectus has been issued under the provisions of section 713 of the Corporations Act. Section 713 enables disclosing entities to issue prospectuses in relation to "continuously quoted securities" (as defined in the Corporations Act), or options to acquire such securities. Copies of documents lodged at ASIC in relation to the Company may be obtained from, or inspected at, an office of ASIC.

The New Shares to be issued under this Prospectus are in a class of securities that has been continuously quoted on the ASX in the 12 month period preceding the date of this Prospectus.

The New Options to be issued under this Prospectus are options to acquire securities in a class of securities that has been continuously quoted on the ASX in the 12 month period preceding the date of this Prospectus.

As the New Shares form part of the same class as the Company's existing Shares and the New Options are options to acquire quoted securities of the Company, ASIC class orders 00/168 and 00/843 allow the Company to accept Entitlement and Acceptance Forms and Applications upon the lodgement of this Prospectus with ASIC.

The level of disclosure that applies to this Prospectus requires that it must contain all the information investors and their professional advisers would reasonably require to make an informed assessment of:

- a) the effect of the offer on the Company; and
- b) the rights and liabilities attaching to the securities being offered; and
- c) in the case of the New Options, the rights and liabilities attaching to the New Options themselves and the underlying securities.

The Prospectus must contain this information only to the extent to which it is reasonable for investors and their professional advisers to expect to find the information in the Prospectus. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospectus of the issuing company. Accordingly, this Prospectus does not contain the same level of disclosure as a prospectus of an unlisted company or an initial public offering prospectus.

Having taken such precautions and having made such enquiries as are reasonable, we believe that we have complied with the general and specific requirements of ASX as applicable from time to time throughout the 12 months before the date of this Prospectus which required us to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company. Information that is already in the public domain has not been reported in this Prospectus, other than that which is considered necessary to make the Prospectus complete.

6.5. Right to Obtain Copies of Documents

We will provide a copy of any of the following documents, free of charge, to any person who requests a copy of the document before the Closing Date:

- a) the annual financial report of the Company for the year ended 30 June 2011, being the annual financial report most recently lodged by the Company with the ASIC;
- b) the half year financial report of the Company for the period ending 31 December 2011 lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in paragraph (a) above and before the lodgement of this Prospectus; and
- c) any continuous disclosure notices (that is, documents in which the ASX was notified of information relating to the Company) given by the Company after 27 October 2012, being the date of lodgement of the 30 June 2011 annual financial report and before lodgement of a copy of this Prospectus with the ASIC. These documents are:

1/10/2012	Placement Cleansing State - Section 708A
28/09/2012	Appendix 3B - Placement \$1.049M
27/09/2012	Dr Garry Lowder to retire as Chairman and Director
27/09/2012	Full Year Statutory Accounts
26/09/2012	Convertible Note Update
26/09/2012	Capital Raising - Clarification of Details
26/09/2012	Capital Raising and Convertible Notes Extended
26/09/2012	Reinstatement to Official Quotation
24/09/2012	Suspension from Official Quotation
20/09/2012	Trading Halt
12/09/2012	Outstanding New Gold Results at Lorena Gold Project
04/09/2012	New Copper-Gold Discovery at Lorena
31/07/2012	Quarterly Cashflow Report - June 12 Quarter
31/07/2012	Quarterly Activities Report - June 2012 Quartr
11/07/2012	Emerging Gold and Silver Producer Presentation
11/07/2012	Shareholder Letter
20/06/2012	Appendix 3Y - R Meares - Options Expired
19/06/2012	Appendix 3Y - J Dean - Options Expired
19/06/2012	Appendix 3Y - G Lowder - Options Expired
15/06/2012	Media Release - Lorena Downhole Electromagnetics
15/06/2012	New Targets Developed Beneath Lorena Deposit
08/06/2012	MARO Options Expire 15 June 2012
08/06/2012	Company Insight - Unlocking Conrad Silver
07/06/2012	Option Granted to Advance Conrad Silver Project
15/05/2012	Andrew McMillan appointed as a Director
11/05/2012	Notice of Initial Substantial Holder - Trandara
30/04/2012	Quarterly Cashflow Report - March 2012 Quarter
30/04/2012	Quarterly Activities Report - March 2012 Quarter
27/04/2012	New Lorena High Grade Gold Zone - Company Insight Interview
19/04/2012	High Grade Gold Zone Discovered at Lorena Gold Project
05/04/2012	Appendix 3B - Employee Options
29/03/2012	Initial Directors Interest Notice - Terry Cuthbertson
29/03/2012	Terry Cuthbertson Appointed as a Director
13/03/2012	Half Yearly Report and Accounts - 31 Dec 2011
12/03/2012	Lorena Gold Project - Update
31/01/2012	Change in substantial holding
31/01/2012	Quarterly Cashflow Report - December 2011
31/01/2012	Quarterly Activities Report - Dec 2011
30/01/2012	Response to ASX price query
27/01/2012	Lorena Gold Project Resource Update
18/01/2012	Change of Director`s Interest Notice - J Dean Options
18/01/2012	Change of Director`s Interest Notice - R Meares Options
18/01/2012	Change of Director`s Interest Notice - G Lowder Options
18/01/2012	Appendix 3B - Directors Options approved 2011 AGM
04/01/2012	Final Director`s Interest Notice - Roy Randall
12/12/2011	Geochemical Results at Lorena Gold Project

05/12/2011	Change of Director`s Interest Notice - Russell Meares
05/12/2011	Change of Director`s Interest Notice - Roy Randall
05/12/2011	Change of Director`s Interest Notice - Garry Lowder
25/11/2011	Board Changes
25/11/2011	Results of Meeting - Annual General Meeting
25/11/2011	AGM Presentation
25/11/2011	Chairman`s Address to Shareholders - AGM 25 Nov 11
10/11/2011	Appendix 3B - Balance of Underwriter Options
10/11/2011	Change of Director`s Interest Notice - Roy Randall
10/11/2011	Change of Director`s Interest Notice - Dr. G Lowder
10/11/2011	Appendix 3B - Shareholder approved Allotment to Directors
09/11/2011	Results of General Meeting
07/11/2011	Company Insight - Upgraded Lorena Gold Project
07/11/2011	Company Insight - Upgraded Lorena Gold Project
31/10/2011	Quarterly Cashflow Report - September 2011
31/10/2011	Quarterly Activities Report - September 2011
22/10/2010	Annual Report to Shareholders

We may make further announcements to ASX from time to time. Copies of announcements are released by ASX on its website (www.asx.com.au), and will also be made available on our website (www.malachite.com.au). Copies of announcements can also be obtained from us on request. Prospective investors are advised to refer to ASX's website or our website for updated releases about events or matters affecting the Company.

The Annual Financial Report, the half year financial report and the continuous disclosure notices referred to above have been identified for the purposes of section 713(4) of the Corporations Act and are not taken to form part of the content of this Prospectus.

The Company's constitution and the consents referred to in Section 6.15 are also available for inspection for a period of 12 months after the date of this Prospectus during normal business hours at the Company's office at:

Suite 1502, Level 15,
Tower B, 799 Pacific Highway,
Chatswood NSW 2067

6.6. Underwriting Agreement

The Company and the Underwriter entered into an Underwriting Agreement on 4 October 2012 under which the Underwriter agreed to fully underwrite the Offer

The Underwriter will be paid:

- a) an underwriting commission of 5% of the Underwritten Amount;
- b) a management fee of 1% of the Underwritten Amount; and
- c) 44,685,595 Underwriter Options (Underwriter Options).

The Company will use its best endeavours to obtain shareholder approval to issue the Underwriter Options at the Annual General Meeting of the Company which is to be held on 28 November 2012. In the event that such shareholder approval is not obtained at the Annual General Meeting, the Directors will issue Underwriter Options from the 15% capacity available to them pursuant to ASX Listing Rule 7.1.

The Underwriter may, at its discretion, transfer New Options issued to it to any sub-underwriters or may direct the Company to issue New Options directly to sub-underwriters.

The Underwriter may terminate its underwriting liability in certain circumstances including but not limited to the following:-

- a) **(Indices fall):** any of the All Ordinaries Index or the S&P/ASX Materials Index as published by ASX is at any time after the days of this Agreement 10% or more below its respective level as at the close of business on the prior to the date of the Underwriting Agreement; or
- b) **(Company Share Price):** the Company's share price (ASX ticker MAR) trades at or below the Rights Issue price on two or more consecutive days at any time after the date of the Underwriting Agreement; or
- c) **(Prospectus):** the Company does not lodge this Prospectus on 5 October 2012 or this Prospectus or the Offer is withdrawn by the Company; or
- d) **(Copies of Prospectus):** the Company fails to provide the Underwriter with copies of the Prospectus in accordance with the terms of the Underwriting Agreement; or
- e) **(No Official Quotation):** Official Quotation has not been granted by no later than 2 November 2012 or, having been granted, is subsequently withdrawn, withheld or qualified; or
- f) **(Supplementary prospectus):**
 - i. the Underwriter, having elected not to exercise its right to terminate its obligations under this Agreement as a result of the occurrence of a new circumstance as referred to in section 719(1) of the Corporations Act, forms the view on reasonable grounds that a supplementary or replacement prospectus should be lodged with ASIC for any of the reasons referred to in section 719 of the Corporations Act and the Company fails to lodge a supplementary or replacement prospectus in such form and content and within such time as the Underwriter may reasonably require; or
 - ii. the Company lodges a supplementary or replacement prospectus without the prior written agreement of the Underwriter; or
- g) **(Non-compliance with disclosure requirements):** it transpires that this Prospectus does not contain all the information required by section 713 (or sections 710, 711 and 716) of the Corporations Act; or

- h) **(Misleading Prospectus):** it transpires that there is a statement in this Prospectus that is misleading or deceptive or likely to mislead or deceive, or that there is an omission from this Prospectus (having regard to the provisions of section 713 (or sections 710, 711 and 716) of the Corporations Act) or if any statement in this Prospectus becomes misleading or deceptive or likely to mislead or deceive or if the issue of this Prospectus is or becomes misleading or deceptive or likely to mislead or deceive;
- i) **(Restriction on allotment):** the Company is prevented from allotting the New Shares within the time required by the Underwriting Agreement, the Corporations Act, the Listing Rules, any statute, regulation ASIC, ASX or any court of competent jurisdiction or any governmental or semi-governmental agency or authority;
- j) **(Withdrawal of consent to Prospectus):** any person (other than the Underwriter) who has previously consented to the inclusion of its, his or her name in this Prospectus or to be named in this Prospectus, withdraws that consent;
- k) **(ASIC application):** an application is made by ASIC for an order under section 1324B or any other provision of the Corporations Act in relation to this Prospectus, 2 November 2012 has arrived, and that application has not been dismissed or withdrawn;
- l) **(ASIC hearing):** ASIC gives notice of its intention to hold a hearing under section 739 or any other provision of the Corporations Act in relation to this Prospectus to determine if it should make a stop order in relation to this Prospectus or the ASIC makes an interim or final stop order in relation to this Prospectus under section 739 or any other provision of the Corporations Act;
- m) **(Takeovers Panel):** the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Pt 6.10 of the Corporations Act, or an application for such a declaration is made to the Takeovers Panel;
- n) **(Hostilities):** there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of this agreement involving one or more of Australia, New Zealand, Indonesia, Japan, Russia, the United Kingdom, the United States of America, India, Pakistan, or the Peoples Republic of China, Israel or any member of the European Union, or a terrorist act is perpetrated on any of those countries or any diplomatic, military, commercial or political establishment of any of those countries anywhere in the world;
- o) **(Authorisation):** any authorisation which is material to anything referred to in this Prospectus is repealed, revoked or terminated or expires, or is modified or amended in a manner unacceptable to the Underwriter;
- p) **(Indictable offence):** a director or senior manager of the Company or any of its subsidiaries is charged with an indictable offence;

- q) **(Sub-underwriters):** any of the sub-underwriters that are introduced by the Company do not comply with its obligations under the sub-underwriting agreements or threaten to not comply with its respective obligations under the sub-underwriting agreements;
- r) **(Termination Events):** any of the following events occur:
- i. **(Default):** default or breach by the Company under the Underwriting Agreement of any terms, condition, covenant or undertaking;
 - ii. **(Incorrect or untrue representation):** any representation, warranty or undertaking given by the Company in the Underwriting Agreement is or becomes untrue or incorrect;
 - iii. **(Contravention of constitution or Act):** a contravention by the Company or any of its subsidiaries of any provision of its constitution, the Corporations Act, the Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX;
 - iv. **(Adverse change):** an event occurs which gives rise to a material adverse effect or any adverse change or any development including a prospective adverse change after the date of the Underwriting Agreement in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of any of the Company or any of its subsidiaries including, without limitation, if any forecast in this Prospectus becomes incapable of being met or in the Underwriter's reasonable opinion, unlikely to be met in the projected time;
 - v. **(Error in Due Diligence Results):** it transpires that any of the due diligence results or any part of the verification material was false, misleading or deceptive or that there was an omission from them;
 - vi. **(Significant change):** a "new circumstance" as referred to in section 719(1) of the Corporations Act arises that is materially adverse from the point of view of an investor;
 - vii. **(Public statements):** without the prior approval of the Underwriter a public statement is made by the Company in relation to the Offer, the Rights Issue or this Prospectus;
 - viii. **(Misleading information):** any information supplied at any time by the Company or any person on its behalf to the Underwriter in respect of any aspect of the Offer or the Rights Issue or the affairs of the Company or any of its subsidiaries is or becomes misleading or deceptive or likely to mislead or deceive;
 - ix. **(Official Quotation qualified):** the Official Quotation is qualified or conditional other than as set out in the definition of "Official Quotation" within the Listing Rules;

- x. **(Change in Act or policy):** there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any of its States or Territories any Act or prospective Act or budget or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy;
- xi. **(Prescribed Occurrence):** the Company or any of its subsidiaries increases or reduces its share capital, enters into a buyback agreement or arrangement, grants options or convertible notes (with the exception of those listed in this Prospectus), disposes or agrees to dispose or to charge a substantial part of its business or property, resolves to be wound up or a court order is made to wind up, a liquidator or receiver is appointed or the Company or any of its subsidiaries executes a deed of company arrangement;
- xii. **(Suspension of debt payments):** the Company suspends payment of its debts generally;
- xiii. **(Event of Insolvency):** an event of insolvency occurs in respect of a the Company or any of its subsidiaries;
- xiv. **(Judgment against a Relevant Company):** a judgment in an amount exceeding \$50,000 is obtained against the Company or any of its subsidiaries and is not set aside or satisfied within 7 days;
- xv. **(Litigation):** litigation, arbitration, administrative or industrial proceedings are after the date of the Underwriting Agreement commenced or threatened against the Company or any of its subsidiaries, other than any claims foreshadowed in this Prospectus;
- xvi. **(Board and senior management composition):** there is a change in the composition of the Board or a change in the senior management of the Company before completion of the Rights Issue without the prior written consent of the Underwriter;
- xvii. **(Change in shareholdings):** there is a material change in the major or controlling shareholdings of the Company or any of its subsidiaries or a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to the Company or any of its subsidiaries;
- xviii. **(Timetable):** there is a delay in any specified date in the Timetable which is greater than 3 Business Days;
- xix. **(Force Majeure):** a force majeure affecting the Company's business or any obligation under the Underwriting Agreement lasting in excess of 7 days occurs;
- xx. **(Certain resolutions passed):** the Company or a subsidiary passes or takes any steps to pass a resolution under section 254N, section 257A

or section 260B of the Corporations Act or a resolution to amend its constitution without the prior written consent of the Underwriter;

- xxi. **(Capital Structure):** the Company or any of its subsidiaries alters its capital structure in any manner not contemplated by this Prospectus;
- xxii. **(Investigation):** any person is appointed under any legislation in respect of companies to investigate the affairs of the Company or any of its subsidiaries;
- xxiii. **(Market Conditions):** a suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America, Europe or other international financial markets; or
- xxiv. **(Suspension):** the Company is removed from the Official List or the Shares become suspended from Official Quotation and that suspension is not lifted within 24 hours following such suspension.

The Underwriter may not exercise its rights under item r) above unless, in the reasonable opinion of the Underwriter reached in good faith, the occurrence of a termination event has or is likely to have, or two or more termination events together have or are likely to have:

- a material adverse effect; or
- could give rise to a liability of the Underwriter under the Corporations Act or otherwise.

6.7. Sub-underwriting by Director

Mr Andrew McMillan, Non-Executive Director of the Company, and Mrs Sally McMillan have entered into a general sub-underwriting agreement with the Underwriter confirming that they will take up such number of Shortfall Securities (if available) as is equal to \$45,000. ACM Consulting Services Pty Ltd <McMillan Family A/C>, a company controlled by Mr Andrew McMillan, has also entered into a general sub-underwriting agreement with the Underwriter confirming that he will take up such number of Shortfall Securities (if available) as is equal to \$35,591.90.

The sub-underwriting fee payable under the sub-underwriting agreements is 1.0% of the sub-underwritten amount.

6.8. Qualifications and Experience of the Directors

The Board of Directors of Malachite consists of five Directors, of whom Mr Russell Meares and Mr Terry Cuthbertson are both non-executive, independent Directors, Dr Gary Lowder is non-executive Chairman and Mr James Dean and Mr Andrew McMillan are non-executive Directors. All five Directors have substantial experience in the mining industry and related fields, including finance, legal and the commercial aspects

of mining and exploration. A summary of the relevant qualifications and experience of each Director is set out below:

Dr Garry Lowder

Ph.D., B.Sc. (Hons), F.Aus.I.M.M., M.A.I.C.D.

Non-Executive Chairman

Dr Lowder is a geologist with over 40 years professional experience in Australia, Indonesia and Papua New Guinea. His expertise includes geological research, mineral exploration, mining and general management. He has held senior positions in public listed companies and was Director General of Mineral Resources in NSW from 1993 to 1997. He was until recently a non-executive director of ASX-listed Straits Resources Limited. Dr Lowder is credited with key roles in the discovery of several major ore deposits, including Northparkes (copper-gold) and Cowal (gold) in NSW, and Paddington (gold) and Wodgina (tantalum) in WA. He has particular expertise in the geology and exploration of ore deposits related to intrusive systems, including porphyry copper-gold and molybdenum deposits, skarn- and greisen-hosted tin/tungsten deposits and reduced intrusion-related gold deposits. He has also worked on greenstone-hosted gold deposits, pegmatite-hosted rare metal deposits, volcanic-hosted massive sulphide deposits and uranium deposits.

Dr Lowder is a graduate of the University of Sydney (B.Sc. Hons I), the University of California at Berkeley (Ph.D.) and the Advanced Management Program at the Harvard Business School. He brings to the Company high level management expertise, wide-ranging knowledge of economic geology, a track record of prior exploration success and broad experience in the commercial aspects of the mining industry.

Russell Meares

B.Sc (Hons), M.Sc., F.Aus.I.M.M., M.A.I.G., G.A.I.C.D.

Non-Executive Director

Mr Meares is a geologist with over 35 years of experience in mineral exploration and mining. He has worked extensively in both technical and management roles in Australia, Asia and the Southwest Pacific, where his experience ranges from project generation through to Ore Reserve estimation and economic evaluation. He has played key roles in the discovery of several ore deposits in Australia, Papua New Guinea and Fiji, including Golden Grove in WA, Keremenge in PNG and Banana Creek in Fiji.

Mr Meares is a graduate of the University of NSW (B.Sc. Hons I) and James Cook University of North Queensland (M.Sc.). He has also successfully completed the Company Directors' course run by the Australian Institute of Company Directors. He brings to the Company extensive hands-on experience in all aspects of exploration management, exploration technology and logistics, and the geology of ore deposits.

Terry Cuthbertson

B.Bus, ACA

Non-Executive Director

Terry Cuthbertson joined the Malachite Board in 2012. He is Chairman of ASX listed My Net Fone Limited, Montec International, Austpac Resources NL, South American

Iron and Steel, Sun BioMedical Limited and OMI Holdings Limited. He is also Chairman of s2Net Limited. Extensive corporate finance expertise, having advised several businesses and government organizations in relation to mergers, acquisitions and financing. Formerly, he was a Partner of KPMG Corporate Finance and NSW Partner in Charge of Mergers and Acquisitions, coordinating government privatisations, mergers, divestitures and public offerings on the ASX for the New South Wales practice. He was a

former Group Finance Director of Tech Pacific Holdings Limited, which was one of the largest information technology distributors in Asia with annual turnover in 1999 of approximately \$2 billion and is a former Director of Tech Pacific Limited's businesses in Hong Kong, Singapore, India, Philippines, Indonesia and Thailand.

James Dean

Non-Executive Director

Mr Dean is a Corporate Advisor and Professional Investor with over 25 years professional experience in the finance and mining, construction equipment, property development, feature film and biotech investment industries. Most of Mr Dean's experience relates to evaluating the operational and financial performance of businesses and then aptly negotiating and matching risk profiles with investment criteria. For more than 20 years he has held fiduciary positions with regard to shareholders and beneficiaries of various investment vehicles. Mr Dean has also travelled extensively and possesses a worldwide network of business collaborators. Of particular benefit to the Board of Malachite is his first-hand knowledge of the 'Lorena' gold mine and surrounding area which he gained from being a significant shareholder in that mine since its rebirth in 2009.

Andrew McMillan

ACA

Non-Executive Director

Andrew McMillan joined the Malachite Board in 2012. He is a Director of Corporate Finance at Patersons Securities Limited with over 25 years corporate advisory experience derived from mergers and acquisitions, equity capital markets and corporate restructuring across industrial and resources sectors. He specialised in equity capital markets transactions at Patersons since March 2003 and successfully completed numerous capital raisings. His specialised interest is in corporate reconstruction, divestments and capital raising.

6.9. Interests of Directors and Management

Except as set out in this Prospectus, no Director holds, or held at any time in the last two years, any interest in:

- (a) the formation or promotion of Malachite; or
- (b) property acquired or proposed to be acquired by Malachite in connection with either its formation or promotion, or the Offer; or
- (c) the Offer.

Details of the interests of each Director in securities of Malachite immediately before lodgement of the Prospectus with ASIC are set out in the table below. The table does not take into account any securities the Directors may acquire under the Offer.

Relevant Interests of Directors

Director	Number of Shares		Number of Options held	
	Direct	Indirect	Direct	Indirect
Dr Garry Lowder	-	11,581,244	11,000,000	400,000
Mr Russell Meares	-	2,140,017	7,000,000	-
Mr James Dean	-	11,936,508	3,000,000 1 Class B Option*	-
Mr Terry Cuthbertson	-	-	-	-
Mr Andrew McMillan	-	-	-	-

**Expiring 30 November 2011 and exercisable at 11.1 cents per share over 338,798 shares*

Mr Andrew McMillan, Mrs Sally McMillan and ACM Consulting Services Pty Ltd <McMillan Family A/C>, a company controlled by Mr Andrew McMillan, have entered into general sub-underwriting agreements with the Underwriter. Please see section 6.7 for more details.

With the exception of Mr Andrew McMillan, none of the directors will receive Underwriter Options in consideration for agreeing to act as sub-underwriters in respect of the Offer.

6.10. Payments and Benefits to Directors

Except as set out in this Prospectus, no person has paid or agreed to pay any amount, or provided or agreed to provide any benefit to:

- any Director in order to induce them to become, or to qualify as, a Director; or
- any Director for services provided by him in connection with
 - i) the formation or promotion of Malachite, or
 - ii) the Offer.

The remuneration paid or payable to each Director for the last two years (including cash and non-cash benefits) is set out in Section 6.11.

6.11. Remuneration of Directors

	Short-term Employee Benefits			Post-employment Benefits	Long-term Benefits		Share Based Payments	Total
	Cash Salary and Fees	Cash Bonus	Non Monetary Benefits	Director's Super-annuation Contributions	Long Service Leave	Termination Benefits	Options	
2012	\$	\$	\$	\$	\$	\$	\$	\$
Directors								
Dr G Lowder *	107,842	-	-	14,310	51,159	-	35,734	209,045
Mr R Meares	74,625	-	-	6,717	-	-	22,038	103,380
Mr R Randall **	17,310	-	-	-	-	-	1,015	18,325
Mr J Dean	37,881	-	-	-	-	-	16,050	53,931
Mr J Bidois***	818	-	-	-	-	-	-	818
Mr T Cuthbertson ^	9,603	-	-	-	-	-	-	9,603
Mr A McMillan ^^	4,713	-	-	-	-	-	-	4,713
	252,792	-	-	21,027	51,159	-	74,837	399,815
2011								
Directors								
Dr G Lowder	232,625	-	-	20,936	53,700	-	38,911	346,172
Mr R Meares	109,202	-	-	9,828	-	-	25,940	144,970
Mr D O'Neill	17,500	-	-	1,575	-	-	3,665	22,740
Mr W Staude	17,500	-	-	1,575	-	-	3,665	22,740
Mr R Randall	29,306	-	-	-	-	-	4,342	33,648
Mr J Dean	10,640	-	-	-	-	-	-	10,640
Mr J Bidois	10,640	-	-	-	-	-	-	10,640
	427,413	-	-	33,914	53,700	-	76,523	591,550

* Retired from Executive position 30 November 2011 and took up a Non-Executive position after that date.

** Resigned 31/12/11

*** Appointed 10/02/11-resigned 11/07/11.

^ Appointed 29/03/12

^^ Appointed 14/05/12

6.12. Interests of, and Issue of Payments and Benefits to, Advisors and Experts

Except as set out in this Prospectus, no person named in this Prospectus as performing a function in a professional, advisory, expert or any other capacity in connection with the preparation and distribution of this Prospectus, promoters of Malachite (together, “**Prescribed Persons**”) holds, or at any time in the past two years held, any interest in:

- a) the formation or promotion of Malachite;
- b) any property acquired or proposed to be acquired in connection with the formation or promotion of Malachite or the Offer; or
- c) the Offer.

Except as set out in this Prospectus, no amounts have been paid or agreed to be paid to any Prescribed Person and no benefit has been given or agreed to be given to any Prescribed Person for services provided by a Prescribed Person in connection with:

- a) the formation or promotion of Malachite; or
- b) the Offer.

M+K Lawyers will receive the sum of approximately \$30,000 (excluding GST and disbursements) from the Company for the provision of legal services to the Company in connection with the Rights Issue.

Patersons Securities Limited has acted as Underwriter to the Offer for which it will receive fees pursuant to the Underwriting Agreement which is summarised in Section 6.6 of this Prospectus.

6.13. Estimated Expenses of the Offer

The expenses of the Offer are expected to be approximately \$100,000. These expenses will be borne by the Company and may be paid out of the proceeds of the Rights Issue.

6.14. Litigation

As at the date of this Prospectus, we are not involved in any material legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against us.

6.15. Consents

Patersons Securities Limited has given, and not withdrawn, its consent to be named as Underwriter to the Offer in the form and context in which it is named, but does not make any statement in this Prospectus, nor is any statement in this Prospectus based on a statement by Patersons Securities Limited.

M+K Lawyers has given and as at the date of this Prospectus has not withdrawn its consent to be named as the Company’s solicitors in relation to the Rights Issue. M+K Lawyers has not authorised or caused the issue of any part of this Prospectus.

Computershare Investor Services Pty. Limited has given and as at the date of this Prospectus has not withdrawn their written consent to be named as the Company's share registry in the form and context in which it is named. Computershare Investor Services Pty Limited has had no involvement in the preparation of any part of the Prospectus other than being named as Share Registrar to the Company. Computershare Investor Services Pty Limited has not authorised or caused the issue of and expressly disclaims and takes no responsibility for, any part of this Prospectus.

7. ACTION REQUIRED BY SHAREHOLDERS AND APPLICATIONS BY MEMBERS OF THE PUBLIC

7.1 What Existing Shareholders may do

The number of New Shares and New Options to which Eligible Shareholders are entitled under the Rights Issue (your Entitlement) is shown on the accompanying Entitlement and Acceptance Form.

As an Existing Shareholder, you may:

- take up your Entitlement in part or in full;
- take up your Entitlement in full and apply for Additional Shares; or
- do nothing and allow your Entitlement to lapse.

The Offer is an offer to Eligible Shareholders only.

Eligible Shareholders who do not participate fully in the Entitlement Offer will have their percentage holding in Malachite reduced. Eligible Shareholders who participate in the Offer will see their percentage holding in Malachite stay the same if they take up all of their Entitlement.

7.2 Taking up all or part of your Entitlement

If you wish to take up all or part of your Entitlement complete the accompanying Entitlement and Acceptance Form for New Shares and New Options in accordance with the instructions set out in the form. Forward your completed Entitlement and Acceptance Form together with your cheque, money order or bank draft in Australian currency drawn on and payable at an Australian bank for the amount shown on the form using the envelope provided to reach the Company's Share Registry, Computershare Investor Services Pty Limited, no later than 5.00pm (Sydney time) on 1 November 2012 at the address set out below:

Malachite Resources Limited
c/- Computershare Investor Services Pty Limited
GPO BOX 2987
ADELAIDE SA 5001

Cheques, money orders or bank drafts should be made payable to "Malachite Resources Limited – Share Purchase Account" and crossed "Not Negotiable". Alternatively, a BPAY® option is also available (see below). In order to use BPAY®, please follow the instructions set out on the Entitlement and Acceptance Form.

7.3 Taking up Shortfall by Shareholder

If there is a shortfall in subscriptions and you are an Eligible Shareholder and you wish to take up Additional Shares then enter the number of Additional Shares on the Entitlement and Acceptance Form in accordance with the instructions set out in the Entitlement and Acceptance Form. In order to apply for Additional Shares you must be an Eligible Shareholder and must have first taken up your Entitlement in full.

Forward your completed Entitlement and Acceptance Form together with your cheque, money order or bank draft in Australian currency drawn on and payable at an Australian bank for the amount shown on the form using the envelope provided to reach the Company's Share Registry, Computershare Investor Services Pty Limited, no later than 5.00pm (Sydney time) on 1 November 2012 at the address set out below:

Malachite Resources Limited
c/- Computershare Investor Services Pty Limited
GPO BOX 2987
ADELAIDE SA 5001

Cheques, money orders or bank drafts should be made payable to "Malachite Resources Limited – Share Purchase Account" and crossed "Not Negotiable".

Alternatively, a BPAY® option is also available. In order to use BPAY®, please follow the instructions set out on the Entitlement and Acceptance Form (see below).

Please note that should you choose to pay by BPay:

- you do not need to submit the enclosed Shortfall Application Form but are taken to make the declarations, warranties, representations and agreements on that Shortfall Application Form;
- if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your payment; and
- if your payment exceeds the amount you need to pay for your full Entitlement, you are deemed to have taken up your full Entitlement and applied for such whole number of Shortfall Shares which is covered in full by your payment after deducting the amount you need to pay for your full Entitlement.

It is the responsibility of the Applicant to ensure funds submitted through BPay are received by no later than 5.00 pm (Sydney time) on 1 November 2012. You should be aware that your financial institution may implement earlier cut off times with regards to electronic payment, and you should therefore take this into consideration when making payment.

7.4 Public Offer

Members of the public in Australia who wish to apply for Shortfall Securities may do so by completing the Shortfall Application Form which accompanies this Prospectus by inserting the number of Shortfall Securities they wish to apply for and forwarding the

completed Shortfall Application Form together with their cheque or bank draft in Australian currency, for the total amount payable to the following address by no later than 5:00pm (Sydney time) on 1 November 2012:

Malachite Resources Limited
c/- Computershare Investor Services Pty Limited
GPO BOX 1903
ADELAIDE SA 5001

Members of the general public may not make payment for Shortfall Securities via BPAY®.

7.5 Applications and Payment

If your Entitlement and Acceptance Form is not completed correctly, or if the accompanying payment is for the wrong amount, it may still be accepted by the Company. The Company's decision as to whether to accept the application or how to construe, amend or complete it, shall be final, but no Applicant will be treated as having offered to purchase more New Shares than indicated by the amount of the cheque for application monies.

You are urged to lodge your Application as soon as possible. Entitlement and Acceptance Forms must not be circulated to prospective investors unless attached to a copy of this Prospectus.

Cheques must be drawn in Australian currency on an Australian bank and made payable to 'Malachite Resources Limited - Share Purchase Account' and crossed 'Not Negotiable'. Please do not forward cash by mail. Receipts for payment will not be issued.

Eligible Shareholders may submit payments for New Shares applied for using BPAY®. In order to use BPAY®, please follow the instructions set out on the Entitlement and Acceptance Form. If you make payment by BPAY®, you do not need to return your Entitlement and Acceptance Form.

7.6 Enquiries

If you have any queries about your Entitlement please contact the Company's Share Registry between the hours of 8.30am and 5.00pm Sydney time, Monday to Friday:

Ph: 1300 556 161 (within Australia)
+61 3 9415 4000 (outside Australia)

Alternatively, contact your stockbroker or other professional adviser.

7.7 Personal Information and Privacy Act

Eligible Shareholders have already provided certain personal information to Malachite and its share registry. If Eligible Shareholders apply for New Shares, Malachite and its share registry may update that personal information or collect new information. Such information will be used to assess the Application, service your needs as a Malachite

shareholder, provide facilities and services that you request and carry out appropriate administration.

Your personal information may be used and disclosed to the Underwriter, persons inspecting the registers, regulatory bodies, print service providers, mail houses retained for Company purposes and Malachite's share registry.

If you do not provide the information requested in the Entitlement and Acceptance Form, Malachite may not be able to process the Application or administer your holding of Shares appropriately.

Under the Privacy Act 1998 (Cth), you may access, correct and update personal information held by, or on behalf of Malachite or its share registry by contacting Malachite as follows:

Malachite Resources Limited
Attention: Company Secretary
PO Box 5218
West Chatswood NSW 1515

Telephone (02) 9411 6033
Fax (02) 9411 6066

8. GLOSSARY

In this Prospectus the following terms have the meanings ascribed to them below, unless the context otherwise requires.

TERM	EXPLANATION
ASTC	ASX Settlement and Transfer Corporations Pty Ltd
Applicant(s)	Person(s) who submit an Application
Application	A valid application made to subscribe for a specified number of New Shares pursuant to this Prospectus
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange limited
Board	The board of Directors at Malachite Resources Limited
Conrad	The Conrad Project is located 25km south of Inverell in northern New South Wales and consists of EL5977, EL7176(Howell), EPL 1050, ML 5992, ML 6040 and ML 6041
Closing Date	The date the Offer closes, being 5.00pm (Sydney time) on 1 November 2012 unless extended by the Company
Company	Malachite Resources Limited (ABN 86 075 613 268)
Corporations Act	Corporations Act 2001 (Cth)
Directors	The directors of Malachite Resources Limited
Eligible Shareholder	A Shareholder entitled to participate in the Offer as described in Section 2.3
Entitlement	The entitlement of a Shareholder to participate in the Offer
Entitlement and Acceptance Form	The form accompanying this Prospectus (for Eligible Shareholders only)
EPL	Exploration Prospecting License
EPM	Exploration Permit for Minerals
EL	Exploration License
International Shareholder	A holder of Shares having a registered address outside Australia, New Zealand or Singapore
Issue	The issue of New Shares and New Options in accordance with this Prospectus
JORC Code	The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2004 Edition)
Listing Rules	The official listing rules of the ASX
Lorena Project	The Lorena Project is located near Cloncurry in northwest Queensland and consists of ML7147, EPM 18189, EPM 18908, ML 90192, ML 90193, ML 90194, ML 90195 and ML 90196
Malachite	Malachite Resources Limited (ABN 86 075 613 268)
Mancala	Mancala Resources Pty Ltd
ML	Mining Lease
New Shares	Shares issued under this Prospectus
New Options	Options issued under this Prospectus, having an exercise price of 1.5 cents and an expiry date of 31 March 2015
Offer	The Offer in accordance with this Prospectus, further details of which are set out in Section 2.1 of this Prospectus
Official Quotation	Has the meaning given to the term 'quotation' in the Listing Rules

Ore Reserve	The economically mineable part of a Mineral Resource, determined after consideration of mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors, as defined more particularly in Item 28 of the JORC Code.
Prescribed Persons	Prescribed Persons has the meaning given to it in Section 6.12
Projects	Specific mineral exploration interests within the Company's portfolio
Prospectus	This Prospectus dated 5 October 2012
Public Offer	The offer of Shortfall Securities to members of the general public who are resident in Australia and who are not Eligible Shareholders
Record Date	15 October 2012
Shareholders	The shareholders of the Company
Shares	Ordinary shares in the capital of the Company
Share Registry	Computershare Investor Services Pty Ltd (ACN 078 279 277)
Shortfall Application Form	The form which is attached to this Prospectus which is not personalised and which is to be used by persons other than Eligible Shareholders to apply for Shortfall Securities
Shortfall Securities	New Shares and New Options offered for issue under this Prospectus which are not applied for by an Eligible Shareholder as part of their Entitlement or applied for by the holder of the Rights
Tenement	An authority granted by a State Government giving the holder the right to explore ("Exploration Licence" or "Exploration Permit") or mine ("Mining Lease") within a defined area of land
Underwriter	Patersons Securities Limited (ACN 008 896 311)
Underwriting Agreement	The Underwriting Agreement between the Company and the Underwriter, a summary of which is set out in Section 6.6 of this Prospectus
Underwriter Options	44,685,595 New Options to be issued directly to the Underwriter or sub-underwriters (as directed by the Underwriter)

9. Directors Authorisation

The Directors of Malachite Resources Limited have authorised the issue of this Prospectus on behalf of Malachite Resources Limited.

This Prospectus has been signed by a Director for and on behalf of the Directors, in accordance with section 351 of the Corporations Act.



G.G. LOWDER
Non-Executive Chairman

10. CORPORATE DIRECTORY

Directors

Garry G Lowder – *Non-Executive Chairman*
Russell M D Meares – *Non-Executive Director*
Terry Cuthbertson – *Non-Executive Director*
James Dean – *Non-Executive Director*
Andrew McMillan – *Non-Executive Director*

Chief Executive Officer

Geoffrey R Hiller

Company Secretary

Andrew J Cooke
Peter Hopkins

Underwriter

Patersons Securities Limited
Level 23, 2 The Esplanade
Perth WA 6000

Registered Office

Suite 1502, Level 15
Tower B
799 Pacific Highway
Chatswood NSW 2067

Solicitors to the Company

M+K Lawyers
Level 21, 20 Bond Street
Sydney NSW 2000

Principal Address

Suite 1502, Level 15
Tower B
799 Pacific Highway
Chatswood NSW 2067

Auditors*

PricewaterhouseCoopers
201 Sussex Street
Sydney NSW 1171

Telephone & Email

Tel.: (02) 9411 6033
Fax.: (02) 9411 6066
Email: info@malachite.com.au

Share Registry

Computershare Investor Services Pty. Ltd.
GPO Box 1903
Adelaide SA 5001
Tel.: 1300 556 161
Email: web.queries@computershare.com.au

ASX Code: MAR

Website

www.malachite.com.au

**This entity has not been involved in the preparation of this Prospectus and has consented to being named in this Prospectus. Its name is included for information purposes only.*