



**ASX Announcement**

**ASX Code: MAR**

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## **NEW TARGETS EMERGING AT LORENA GOLD PROJECT**

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Malachite Resources Limited (“Malachite” or “the Company”) is pleased to advise that encouraging results continue to flow from the Company’s ongoing exploration activities near the Lorena gold deposit (east of Cloncurry, Queensland). Previously the Company has announced promising gold and copper results at the Lady Mary and Copperhead prospects within our Lorena tenement package. A third new prospect area (“Table Mountain”) has now been identified, further demonstrating the potential for major gold and gold-copper discoveries on Malachite’s tenements.

Exploration results received from the first stage of a program of prospecting and geochemical sampling on the eastern section of EPM 18908 (Table Mountain, see Figure 1) have identified an extensive area of approximately 1.5km x 3km containing numerous exposures of ironstone<sup>1</sup>/gossan<sup>2</sup>, brecciation and veining, and also showings of malachite – all indicative of the presence of mineralised systems. Assays for a suite of 40 rock chip samples from Table Mountain have now been received, with gold values ranging from <0.01 g/t Au to 1.29g/t Au (with four samples over 0.5g/t Au), and copper values ranging from 66ppm Cu to 14.5% Cu (with seven samples over 1% Cu). See Table 1 for significant rock chip assays.

In addition, recent stream sediment sampling for gold using the BLEG<sup>3</sup> technique has located several strong gold anomalies in creeks in the south west corner of the Table Mountain prospect area (Figure 1), including samples assaying up to 107ppb Au (strongly contrasting with the regional background in the area of 2-3ppb Au in BLEG samples). These anomalies are located close to the favourable geological contact zone between the Toole Creek Volcanics and the Mt Norna Quartzite, with which the Company’s Lady Mary and Copperhead gold-copper prospects are associated.

Chief Executive Officer Geoff Hiller commented:

*“We are highly encouraged by these early stage results in our search for gold and gold-copper deposits near Lorena, as we are finding that there has been only limited previous exploration on our tenements and our frontline exploration techniques of careful prospecting and surface geochemical sampling are proving very successful”.*

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<sup>1</sup> *Ironstone* is a rock composed of iron oxides of unknown source developed through weathering and oxidation processes.

<sup>2</sup> *Gossan* is an iron oxide enriched capping developed through weathering and oxidation of deposits of sulphides of iron and/or base metals, and commonly containing cells or boxworks derived from the crystal structure of the original sulphide minerals.

<sup>3</sup> *BLEG* is the acronym for Bulk Leach Extractable Gold and is a laboratory analytical technique used to determine the easily-extractable gold content of larger soil and stream sediment exploration samples. Normally a large sample of the silt and sand from the creek bed (or soil profile) is sieved in the field and 2kg of the -2mm material is collected. This sample is then leached at the laboratory for 24 hours using a weak cyanide solution to determine the gold content.

Follow-up of the BLEG anomalies and further exploration along the favourable contact zone is currently underway. These exploration programs in the district surrounding the Lorena gold deposit have two objectives. Firstly, to discover gold deposits which could provide additional ore for a mill at Lorena, and hence extend the life of the project. Secondly, to discover major gold and gold-copper deposits which could be developed as stand-alone mining operations. The results of exploration to date support these objectives, and confirm the potential for copper (as well as gold) in the Lorena district.

**TABLE 1: SIGNIFICANT ASSAY RESULTS FROM ROCK CHIP SAMPLES COLLECTED AT TABLE MOUNTAIN PROSPECT AREA**

Sample Number	Au (g/t)	Cu (%)	Sample Type	Sample Description
162764	<b>1.14</b>	5.26	Random chip s of outcrop and subcrop	Quartz vein/gossan with malachite
162767	0.19	1.31	Grab sample from dump	Quartz vein/gossan with malachite
162772	0.02	<b>14.5</b>	Grab sample from dump	Gossan/siltstone with malachite
162781	0.03	1.96	Random chips of outcrop and subcrop	Gossan breccia with malachite
162793	0.57	<b>8.85</b>	Random chips of subcrop and float	Gossan breccia with malachite
162901	<b>1.29</b>	7.75	Grab sample from dump	Breccia with malachite
162902	0.78	4.99	Grab sample from dump	Breccia with malachite

#### **About Lorena:**

*The Lorena Gold Project is wholly owned by Malachite and is located about 15km east of Cloncurry in northwest Queensland. Malachite is the holder of six mining leases (ML7147, MLs 90192-90196), two exploration permits (EPM18189 and EPM18908) and one EPM application at Lorena.*

*Lorena has a total mineral resource containing approximately 56,000 ozs of gold at a 2g/t cut-off grade. It has a resource of 179,500t at 8.8g/t Au containing 50,700 ozs ("A Lode") and a resource of 23,700t at 7.8g/t Au containing 5,900 ozs ("B Lode"). The resource is within a potential open pit mine and is open at depth. The gold bearing ore is principally of massive and stringer sulphide type and copper-gold mineralisation occurs in conjunction with the gold ore body.*

#### **COMPETENT PERSON STATEMENT:**

*The information in this report that relates to Exploration Results is based on information compiled by Mr Russell Meares, who is a non-executive Director of the Company and a former full time employee. Mr Meares is a Fellow of the Australasian Institute of Mining and Metallurgy and 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.' Mr Meares consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.*

For further information, please contact the Company on (02) 9411 6033 or by email at [info@malachite.com.au](mailto:info@malachite.com.au) or visit the Company's website at [www.malachite.com.au](http://www.malachite.com.au)

FIGURE 1: LORENA GOLD PROJECT – Regional Geology, Prospects and Malachite Tenement Map

