



CONVERTIBLE NOTES AND SHARE PURCHASE PLAN

Malachite Resources Limited (Malachite or the Company) confirms that it has extended the maturity date of existing Convertible Notes and also raised additional funds by way of new Convertible Notes. In addition the Board of Malachite has resolved to carry out a Share Purchase Plan to provide shareholders the opportunity to participate in the capital raising. Shareholders have not been required to support the Company by participating in a capital raising since 2012.

In addition to ongoing discussions with BCD and its Receiver and Manager, Malachite has now commenced discussions with a number of other parties who have expressed interest in working with the Company to develop the Lorena Gold Project which is in the best interests of Malachite shareholders.

Malachite will now actively pursue these discussions with other parties and also continue to investigate its own funding requirements and alternatives. As part of these discussions, Malachite is considering a processing plant to produce gold on site. Malachite is pleased that a number of parties have identified Lorena as an attractive Australian gold asset with near term gold production.

CONVERTIBLE NOTES

Extension of Existing Convertible Notes

The Company has Convertible Notes with a face value of \$1,900,000 on issue to existing Convertible Noteholders (including one Convertible Note that has not yet been issued but is expected to be issued to a Company associated with the Company's Chairman subject to shareholder approval at the next general meeting of the Company). The Company has successfully negotiated with the majority of these existing Convertible Noteholders to extend the term of these Convertible Notes to 5 October 2015. The Company will pay each Convertible Noteholder a Rollover Fee of 1.75% of the Issue Price to be satisfied by the issue of Ordinary Shares at a 20% discount to the 30 day VWAP to 5 April 2015.

New Convertible Notes

The Company has also received subscription agreements for new Convertible Notes with a face value of \$300,000. The terms of the new Convertible Notes are identical to the existing Convertible Notes except that no Rollover Fee is payable.

Directors of the Company have participated in this issue and accordingly any Convertible notes to be issued to them will be treated as a loan until approved by shareholders.

Subject to shareholder approval of Convertible Notes to be issued to Directors, the total face value of Convertible Notes on issue will then be \$2,200,000.

SHARE PURCHASE PLAN

As the Company has raised funds over the last few years by issuing Convertible Notes and additional working capital is now required given that delays have been incurred due to BCD Resources NL (“BCD”) not meeting its obligations to develop the Lorena Gold Project, the Malachite Board has resolved to invite shareholders to participate in a Share Purchase Plan (“SPP”). Shareholders will have the opportunity to purchase shares in the Company at 0.5cents per share and the Record Date for eligibility to participate in the SPP has been set at Thursday 2 April 2015. Full details of the SPP will be despatched to shareholders on or about 14 April 2015 and the Closing Date for the SPP will be 30 April 2015.

Subject to \$500,000 being raised pursuant to the SPP the Company intends to carry out exploration at its 100% owned Lady Mary prospect which is located on EPM 18908, approximately 5km west of the Lorena Gold Project.

LORENA GOLD PROJECT

As previously advised, Malachite has now advised BCD and its Receiver and Manager that BCD has not met its obligations to develop the Lorena Gold Project and that Malachite has a right to terminate the agreement with BCD. Notwithstanding this, Malachite remains in discussions with BCD’s Receiver and Manager and is awaiting information from them to consider their latest proposal.

Malachite confirms that it currently holds 100% unencumbered ownership of the Mining Licences relating to the Lorena Gold Project and that the project remains robust given its high gold grade. The Project has gold resource potential at depth, regional exploration potential, and gold processing opportunities, all of which enhance the project’s viability.

Malachite will keep the market informed of all material developments in relation to the development of the Lorena Gold Project at the earliest opportunity.

About the Lorena Project

The Lorena Gold Project is located about 15km east of Cloncurry in northwest Queensland. It is expected that in the first year of production the Lorena project will produce around 30,000 ozs of recovered gold from an open cut operation at an all in cash cost of around A\$900/oz. The Lorena gold project has potential for resource extensions at depth which requires confirmation by drilling which is expected to occur as soon as funding allows.

For further information, please contact Malachite Resources Limited on (02) 9251 0032 or by email at info@malachite.com.au or visit the company’s website at www.malachite.com.au