

malachite
resources

ASX Announcement

ASX Code: MAR

14 MAY 2015

**MALACHITE SHARE PURCHASE PLAN
RAISES \$526,000**

Share Purchase Plan (SPP)

Malachite Resources Limited (Malachite or the Company) is pleased to advise that it has raised \$526,000 (unaudited) from its SPP which closed Tuesday 12 May 2015 and wishes to thank shareholders for the support that they have provided to the Company.

The funds raised by the SPP combined with the expected proceeds from the sale of the Conrad silver project allows the Company to finalise the arrangement of project funding to complete the development of Lorena and to carry out some exploration activities at Lorena.

Lorena Gold Project (Lorena)

As previously advised, the Company has given BCD Resources NL notice terminating the Joint Venture Deed with them relating to the development of Lorena.

A number of other parties have now completed preliminary technical due diligence on Lorena and Malachite is actively pursuing discussions with these parties to ensure that production can be achieved at the earliest opportunity. Discussions are also continuing with BCD and its Receiver on possible new terms, however Malachite is of the view that the terms of any new arrangement with BCD will materially differ from those of the original agreement with them.

Malachite confirms that it holds 100% unencumbered ownership of the Mining Licences relating to Lorena and that the project remains robust given its high gold grade. In addition Lorena has gold resource potential at depth, regional exploration potential, and gold processing opportunities, all of which enhance its development.

As disclosed in the SPP documentation, since the SPP has successfully raised over \$500,000 the Company now intends to carry out an initial drilling exploration program (at a cost of around \$150,000) at its 100% owned Lady Mary prospect, which is located on EPM 18908, approximately 5km west of the Lorena Gold Project (Lorena) (refer Figure 1).

The Company regards the tenor, width and continuity of gold and copper values in the soils at its Lady Mary prospect as extremely positive. The soil program and previous rock chip sampling have outlined a robust gold-copper drill target. The discovery of a resource at Lady Mary could potentially supply additional ore to a mill at Lorena.

Malachite Resources Limited
ABN 86 075 613 268
Suite 2, Level 10, 8-10 Loftus Street, Sydney NSW 2000
P O Box R1295, Royal Exchange NSW 1225
Tel: (02) 9251 0032 Fax: (02) 9475 0439
www.malachite.com.au

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.

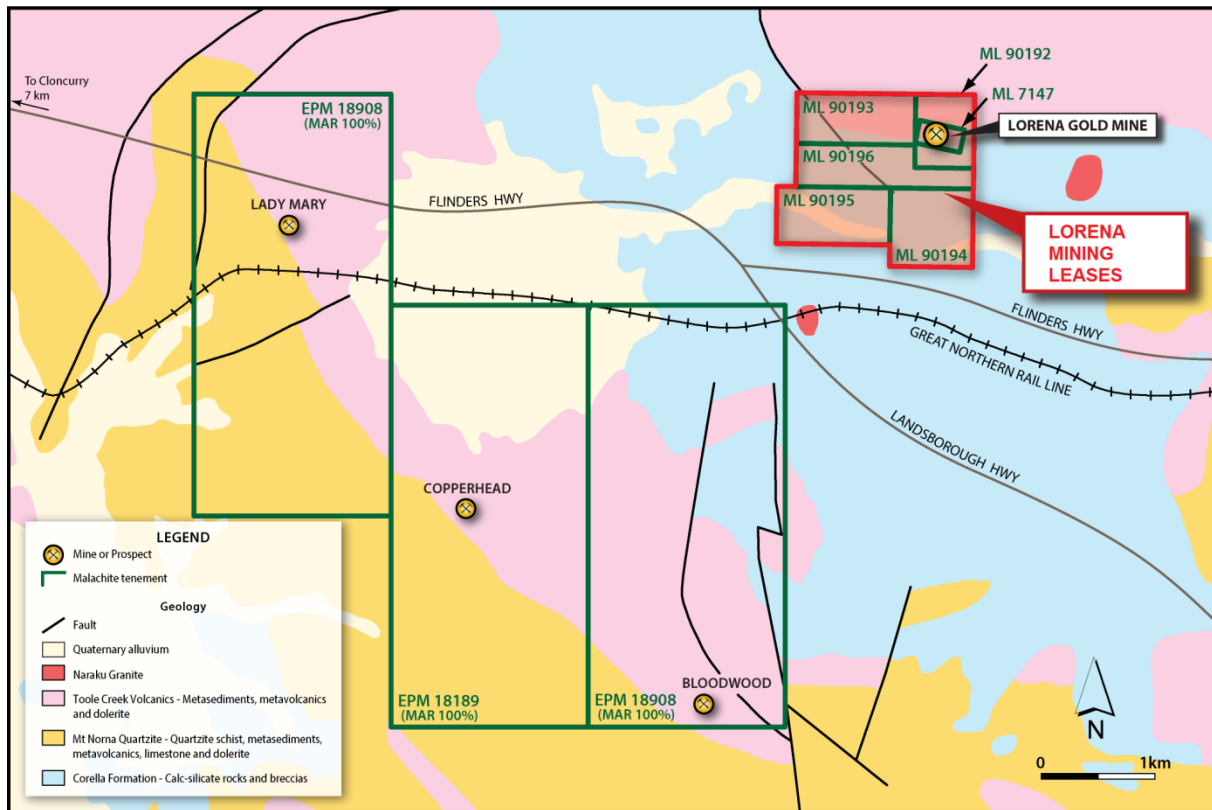


Figure 1: Lorena Gold Project – Tenement Plan

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