



malachite
resources

ASX Announcement

ASX Code: MAR

2 September 2015

REVISED TERMS RELATING TO THE PAYMENT OF CONSIDERATION FOR THE CONRAD SILVER PROJECT

Malachite Resources Limited (ASX Code: MAR) ("Malachite" or the "Company") has previously advised that Silver Mines Limited (ASX Code: SVL) was proceeding with the acquisition of the Company's Conrad Silver Project ("Conrad") in accordance with the terms of a Memorandum of Understanding (MoU) between the parties executed in May and varied in June 2015.

Malachite received an initial option payment of \$50,000 in May 2015 when the original MoU was executed with SVL and further payments totalling \$50,000 in July and August 2015. Malachite has subsequently agreed to further revised terms taking into account the timing of a rights issue currently being undertaken by SVL:

- SVL shall pay \$75,000 to MAR on or before 18 September 2015 (the Third Payment);
- Completion shall occur on the earlier of 30 October 2015 and the date that SVL issues shares pursuant to its current fully underwritten rights issue;
- On Completion:
 - SVL will pay \$275,000 to MAR;
 - SVL will issue shares in SVL to MAR (subject to necessary approvals) (to be escrowed for 12 months) to the value of \$125,000. The number and value of the SVL shares will be calculated as the lower of the 5 day volume weighted average price of SVL shares over the 5 trading days immediately prior to the day of completion or \$0.002; and
 - MAR will transfer its legal and beneficial ownership of the Conrad Project to SVL free of all encumbrances except that Malachite will retain an ongoing interest in the Conrad project via a 1% net smelter return on all metals produced from the Conrad Project.

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

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