

MALACHITE RESOURCES LIMITED

ABN 86 075 613 268

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given of the nineteenth Annual General Meeting of the Company

**At: The Philip Suite, The York Conference & Function Centre,
Level 2, 95-99 York Street
Sydney NSW 2000**

On: Monday 30 November 2015 at 2.00 pm

BUSINESS

1. Financial Report – Year Ended 30 June 2015

To receive and consider the Financial Report of the Company and its controlled entities and the reports of the Directors and the Auditor for the financial year ended 30 June 2015.

2. Remuneration Report

To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

That the Remuneration Report for the year ended 30 June 2015 be adopted.

3. Re-election of Mr. Andrew McMillan as a Director

To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

That Mr. Andrew McMillan, who retires in accordance with the Constitution of the Company, and being eligible, offers himself for re-election, be re-elected as a Director of the Company.

4. Ratification of the issue of new Unsecured Convertible Notes

To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

That for the purpose of ASX Listing Rule 7.4 and for all other purposes, approval be given in respect of the issue of 4 new unsecured convertible notes to the Noteholders in the class of persons identified in the Explanatory Notes together with the issue of shares upon conversion of these convertible notes on the terms and conditions set out in the Explanatory Notes.

5. Approval for the issue of 2.5 new Unsecured Convertible Notes to Mr. Andrew McMillan

To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

That for the purpose of ASX Listing Rule 10.11 and for all other purposes, approval be given to the issue of 2.5 new unsecured convertible notes to an associate of Mr. Andrew McMillan as set out in the Explanatory Notes together with the issue of shares upon conversion of the convertible notes on the terms and conditions set out in the Explanatory Notes.

6. Approval for the issue of 3 new Unsecured Convertible Notes to Mr. Terry Cuthbertson

To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

That for the purpose of ASX Listing Rule 10.11 and for all other purposes, approval be given to the issue of 3.0 new unsecured convertible notes to an associate of Mr Terry Cuthbertson as set out in the Explanatory Notes together with the issue of shares upon conversion of the convertible notes on the terms and conditions set out in the Explanatory Notes.

7. Approval for the issue of 0.5 new Unsecured Convertible Note to Mr. James Dean

To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

That for the purpose of ASX Listing Rule 10.11 and for all other purposes, approval be given to the issue of 0.5 new unsecured convertible note to an associate of Mr. James Dean as set out in the Explanatory Notes together with the issue of shares upon conversion of the convertible note on the terms and conditions set out in the Explanatory Notes.

8. Ratify the previous issue of shares – Convertible Note Rollover Fees

To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

That, for the purpose of Listing Rule 7.4 of the Australian Securities Exchange and for all other purposes, the issue of 5,129,497 fully paid ordinary shares by the Company to the parties described in section 8 of the Explanatory Memorandum annexed to and forming part of this Notice of Meeting, be approved.

9. Approve proposed issue of shares to Mr. Terry Cuthbertson – Convertible Note Rollover Fees

To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

That for the purposes of Listing Rule 10.11 the Australian Securities Exchange and for all other purposes, approval be given in respect of the issue of 683,932 fully paid ordinary shares to be issued by the Company to an associate of Mr. Terry Cuthbertson as described in section 9 of the Explanatory Notes annexed to and forming part of this Notice of Meeting.

10. Approve proposed issue of shares to Mr. Andrew McMillan – Convertible Note Rollover Fees

To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

That for the purpose of Listing Rule 10.11 of the Australian Securities Exchange and for all other purposes, approval be given in respect of the issue of 341,967 fully paid ordinary shares to be issued by the Company to an associate of Mr. Andrew McMillan as described in section 10 of the Explanatory Notes annexed to and forming part of this Notice of Meeting.

11. Approve proposed issue of shares to Mr. James Dean – Convertible Note Rollover Fees

To consider, and if thought fit, to pass the following resolution as an ordinary resolution:

That for the purpose of Listing Rule 10.11 of the Australian Securities Exchange and for all other purposes, approval be given in respect of the issue of 170,983 fully paid ordinary shares to be issued by the Company to an associate of Mr. James Dean as described in section 11 of the Explanatory Notes annexed to and forming part of this Notice of Meeting.

12. Removal of Auditor

To consider and, if thought fit, to pass, the following resolution as an ordinary resolution:

“That, subject to the passing of Resolution 13, PricewaterhouseCoopers the current auditor of the Company, be removed as the auditor of the Company in accordance with the Corporations Act, effective from the date of the Meeting.”

13. Appointment of Auditor

To consider and, if thought fit, with or without amendment, to pass the following resolution as a special resolution:

“That, subject to the passing of Resolution 12, MNSA Pty Ltd being qualified to act as auditor of the Company and having consented to act as auditor of the Company, be appointed as the Company’s auditor in accordance with the Corporations Act, effective from the date of the Meeting and the Directors be authorised to agree the remuneration.”

VOTING EXCLUSIONS

RESOLUTION 2 – Remuneration Report:

The Company will disregard any votes cast on Resolution 2:

- by or on behalf of a member of the Key Management Personnel (KMP) (as defined in Section 9 of the Corporations Act 2001 (Cth)) details of whose remuneration are included in the Remuneration Report;
- by or on behalf of a closely related party (as defined in Section 9 of the Corporations Act 2001 (Cth) such as close family members and any controlled companies) of a member of the KMP; or
- as a proxy by a member of the KMP or a KMP's closely related party,

unless the vote is cast as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form.

Important Notice for Resolution 2: If a shareholder appoints the Chairman of the meeting as the shareholder's proxy and does not specify how the Chairman is to vote on Resolution 2, the Chairman will vote, as proxy for that shareholder, in favour of Resolution 2.

RESOLUTION 4 – Ratification of the issue of New Convertible Notes:

The company will disregard any votes cast on Resolution 4 by:

- Participants in the New Convertible Note issue; and
- any associate of any such person.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

RESOLUTION 5 – Approval for the issue of 2.5 New Convertible Notes to Mr. Andrew McMillan:

The company will disregard any votes cast on Resolution 5 by:

- Mr. Andrew McMillan; and
- any associate of Mr. Andrew McMillan.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

RESOLUTION 6 – Approval for the issue of 3.0 New Convertible Notes to Mr. Terry Cuthbertson:

The company will disregard any votes cast on Resolution 6 by:

- Mr. Terry Cuthbertson; and
- any associate of Mr. Terry Cuthbertson.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

RESOLUTION 7 – Approval for the issue of 0.5 New Convertible Note to Mr. James Dean:

The company will disregard any votes cast on Resolution 7 by:

- Mr. James Dean; and
- any associate of Mr. Dean.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

RESOLUTION 8 – Ratification of previous issue of Shares – Convertible Note Rollover Fees:

The company will disregard any votes cast on Resolution 8 by:

- Holders of Convertible Notes to whom Rollover Fees were paid by the issue of shares; and
- any associate of any such person.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or

- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

RESOLUTION 9 – Proposed issue of Shares – Convertible Note Rollover Fees - Mr. Terry Cuthbertson:

The company will disregard any votes cast on Resolution 9 by:

- Mr. Terry Cuthbertson; and
- any associate of Mr. Terry Cuthbertson.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

RESOLUTION 10 – Proposed issue of Shares – Convertible Note Rollover Fees - Mr. Andrew McMillan:

The company will disregard any votes cast on Resolution 10 by:

- Mr. Andrew McMillan; and
- any associate of Mr. Andrew McMillan.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

RESOLUTION 11 – Proposed issue of Shares – Convertible Note Rollover Fees - Mr. James Dean:

The company will disregard any votes cast on Resolution 11 by:

- Mr. James Dean; and
- any associate of Mr. James Dean.

However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Important Notice for Resolutions 3 to 13: The Chairman intends to vote all available proxies in favour of Resolutions 3 to 13. If you appoint the Chairman of the meeting as your proxy but do not want the Chairman to exercise the proxy in accordance with the Chairman's stated voting intention, you should give directions on how to vote on the resolution by marking the "For", "Against" or "Abstain" box at Step 2 of the Proxy Form.

ENTITLEMENT TO VOTE

In accordance with the *Corporations Act 2001* (Cth) the Board has determined that for the purposes of the meeting, a person's entitlement to vote at the meeting will be the entitlement of that person set out in the Register of Members of the Company at 7.00pm on 28 November, 2015. Accordingly, share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the meeting.

VOTING BY PROXY

- A shareholder entitled to attend and vote at the meeting is entitled to appoint not more than 2 proxies to attend and vote instead of the shareholder.
- Where 2 proxies are appointed the Proxy Form should specify the proportion, or the number of votes that the proxy may exercise. If the Proxy Form does not specify the proportion or number of the shareholder's votes each proxy may exercise, each proxy may exercise half of the votes.
- A proxy need not be a shareholder of the Company. The proxy appointed may be described in the Proxy Form by an office held, e.g. "the Chair of the Meeting".
- Proxy Forms must be signed by a shareholder or the shareholder's attorney or, if the shareholder is a corporation, must be under its common seal, or if it does not have one, by 2 directors or by a director and a company secretary, or if it is a proprietary company that has a sole director who is also the company secretary, by that director, or under hand of its attorney or duly authorised officer. If the Proxy Form is signed by a person who is not the registered holder of shares in the Company (i.e. under power of attorney or other authorisation), then the relevant authority (or a certified copy of such authority) must either have been exhibited previously to the Company or be enclosed with the Proxy Form.

To be effective, duly completed Proxy Forms (duly completed and executed) must be:

- received in person at: **Malachite Resources Limited**
Suite 2, Level 10
8-10 Loftus Street
Sydney NSW 2000 Australia
- received by mail at: **Malachite Resources Limited**
P O Box R1295, Royal Exchange NSW 1225, Australia
- sent by fax to fax number: **(02) 9475 0439** (+61 2 9475 0439 from overseas)

by 2.00 pm on **28 November, 2015**.

CORPORATE REPRESENTATIVES

A body corporate that is a member, or that has been appointed as a proxy of a member, may appoint an individual to act as its representative at the Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the meeting evidence of his or her appointment including the authority under which it is signed.

CHAIR'S VOTING INTENTIONS

Subject to any applicable voting exclusions, the Chair of the Meeting intends to vote all available undirected proxies in favour of each Resolution.

ANNUAL REPORT

Malachite Resources Limited will now make annual reports available online for shareholders. The default option for receiving annual reports is via the Company's website rather than in hard copy. You will not receive a hard copy unless you have requested a printed version.

The Annual Report for the Year Ending 30 June 2015 may be downloaded from the Company's website from the homepage: www.malachite.com.au

or by accessing the following link:

<http://www.malachite.com.au/irm/content/annual-reports.aspx?OriginalCategoryId=215>

By order of the Board
Andrew J Cooke
Company Secretary
14 October 2015



EXPLANATORY MEMORANDUM TO NOTICE OF ANNUAL GENERAL MEETING

ITEM 1.

Financial Report – Year Ended 30 June 2015

The *Corporations Act 2001* (Cth) (“Corporations Act”) requires the financial report (which includes the financial statements and the Directors’ declaration), the Directors’ report and the Auditor’s report to be laid before the AGM. There is no requirement either in the Corporations Act or in the Constitution of the Company for shareholders to approve the financial report, the Directors’ report or the Auditor’s report.

This item of business provides shareholders with a reasonable opportunity to ask questions concerning or make comments on the Company’s financial statements and reports for the year ended 30 June 2015, the Company’s performance generally and the management of the Company.

A representative of the Auditor will be attending the Annual General Meeting.

As a shareholder, you are entitled to submit a written question to the Auditor prior to the Annual General Meeting provided that the question relates to:

- the content of the Auditor’s report; or
- the conduct of the audit in relation to the Financial Report.

All written questions must be received by the Company no later than 20 November 2015. All questions must be sent to the Company and may not be sent direct to the Auditor. The Company will then forward all questions to the Auditor.

The Auditor will answer written questions submitted prior to the Annual General Meeting.

The Auditor will also answer questions at the meeting from shareholders relevant to:

- the conduct of the audit;
- the preparation and content of the Auditor’s report;
- the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- the independence of the Auditor in relation to the conduct of the audit.

RESOLUTION 2.

Remuneration Report

The Directors’ report for the year ended 30 June 2015 contains a Remuneration Report which sets out the policy on remuneration of the Directors of the Company and specified executives of the Company.

The Company’s remuneration structure is designed to align executive and shareholder interests, retain personnel and generate long term value creation by providing employees with competitive remuneration and appropriate incentive to achieve project milestones.

The Corporations Act requires that a resolution be put to the vote that the Remuneration Report be adopted. The

Corporations Act expressly provides that the vote is advisory and does not bind the Directors of the Company. However, if at least 25% of the votes cast are against the adoption of the Remuneration Report, the Company’s next Remuneration Report must explain the Board’s proposed action in response or explain why no action has been taken.

In the following year, if at least 25% of the votes cast on the resolution that the Remuneration Report be adopted are against adoption, shareholders will then vote to determine whether the Directors, excluding the CEO, will need to stand for re-election (a “Spill Resolution”). If more than 50% of the votes cast on the resolution are in favour, a separate re-election meeting must be held within 90 days.

At the Company’s 2014 annual general meeting, the votes cast against the remuneration report considered at that meeting were less than 25%. Accordingly, a Spill Resolution cannot be put at this meeting.

Members attending the AGM will be given a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

RESOLUTION 3.

Re-election of Mr. Andrew McMillan as a Director

Non-executive Director, Age 56 – appointed as a Director 14 May 2012.

Andrew McMillan 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. Specialised in equity capital markets transactions at Patersons since March 2003 and successfully completed numerous capital raisings. Specialised interest in corporate reconstruction, divestments and capital raising. Worked with Peat Marwick Mitchell in Melbourne and Arthur Andersen & Co before joining Somers Exell, working on divestments of significant private companies and divisions of public companies. Lead the restructure of a company in the footwear sector then returned to the finance sector with small cap specialist Falkiners Stockbroking, followed by his appointment as a director of KPMG Corporate Finance, relocating to Perth in a mergers and acquisitions role prior to joining Patersons Securities.

Mr. McMillan retires in accordance with the terms of the Constitution of the Company and being eligible, offers himself for re-election. Given the size of the Board, if Mr. McMillan is re-elected it is likely that he will serve as a Director for a further term of 3 years until he is next required to retire by rotation.

Mr. McMillan has no relationships with the Company or with the other Directors of the Company which have a bearing on his re-election as a Director.

The Board supports the re-election of Mr. McMillan as a Director of the Company.

RESOLUTIONS 4 - 11

Background to the Listing Rules that are the subject of this Notice of Meeting

ASX Listing Rule 7

Subject to a number of exceptions, ASX Listing Rule 7.1 limits the number of securities that the Company can issue without shareholder approval in any 12 month period to 15% of its issued securities.

ASX Listing Rule 7.4 allows for shareholders to retrospectively approve an issue of securities, provided that the issue was not in breach of ASX Listing Rule 7.1.

Resolutions 4 and 8 seek Shareholder approval pursuant to ASX Listing Rule 7.4.

The issue of the Notes considered by Resolutions 4 and of Shares considered by Resolution 8 did not breach ASX Listing Rule 7.1.

If the securities the subject of Resolutions 4 and 8 are treated as having been issued with shareholder approval pursuant to ASX Listing Rule 7.4, the Company's capacity to issue further securities is restored. The Company does not presently propose to issue further securities without shareholder approval, however the Directors consider it prudent to retain the capacity to do so and accordingly seek shareholders' approval of the issue of securities as set out in Resolutions 4 and 8.

ASX Listing Rule 10.11

Shareholder approval pursuant to Listing Rule 10.11 is required for the issue of securities to a related party. An issue of securities that has shareholder approval pursuant to Listing Rule 10.11 is an exception to Listing Rule 7.1. As a result, if approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

Resolutions 5, 6, 7, 9, 10 and 11 seek shareholder approval in accordance with ASX Listing Rule 10.11.

RESOLUTION 4

Ratification of the Issue of New Unsecured Convertible Notes

Approval is sought pursuant to ASX Listing Rule 7.4 for the issue of 4 New Unsecured Convertible Notes (*Notes*) together with the issue of shares upon conversion of the Notes.

Issue of Notes

The Company provides the following information in relation to the issue of the Notes:

(a) Number of securities

The number of securities issued for which shareholder approval is being sought is 4 Notes.

(b) Date of Issue

2 of the Notes were issued on or about 12 November 2014, 1 Note was issued on or about 31 December 2014 and 2 half Notes were issued in April 2015.

(c) Consideration

The Notes were issued at an issue price of \$50,000 each.

(d) Terms of the securities issued

Each Note may be converted into ordinary shares in the capital of the Company at the election of the Noteholder at any time up to the Maturity Date. Each Note has a conversion price which is the lesser of \$0.015 or a 20% discount to the 30 day volume weighted average price of the Company's shares at the time of conversion.

Number of Shares issued at a Conversion Price of \$0.015

By way of example, should the conversion price of \$0.015 apply, each Note may be converted into 3,333,333 shares in the Company.

The table below represents the total number of shares which would be issued on conversion of a Note for a given number of Notes where the conversion price is \$0.015:

Notes	Total Shares to be issued at a Conversion Price of \$0.015
1	3,333,333
2	6,666,666
3	9,999,999
4	13,333,332

Examples of lower Conversion Price

The table below represents the total number of shares which are to be issued on conversion of a Note for a given number of Notes where the conversion price is \$0.0056 (being a 20% discount to a share price of \$0.007):

Notes	Total Shares to be issued at a Conversion Price of \$0.0056
1	8,928,571
2	17,857,142
3	26,785,713
4	35,714,284

The maturity date for the Notes was 5 October 2015. The Noteholders have subsequently agreed to extend the maturity date to 5 May 2016.

Any Noteholder may, on giving at least 2 days' notice in writing to the Company, require the Company on or at any time after the Maturity Date to redeem any of the Noteholder's Notes which have not been converted. The Company may at any time following the Maturity Date, elect to repay all or any of the Notes which have not been converted.

Noteholders are entitled to interest at 15% per annum, payable quarterly in arrears on the last day of each quarter.

If the Notes are converted into ordinary shares in the capital of the Company, the resulting ordinary shares will rank equally in all respects with the Company's then existing fully paid ordinary shares.

(e) Allottees

The Notes were issued to sophisticated investors identified by the Board.

(f) Use of Funds Raised

The primary use of funds raised from the issue of these Notes was for working capital primarily relating to the ongoing development of the Lorena Gold project near Cloncurry, Queensland.

Recommendation

The Board recommends that shareholders approve the issue of Notes as proposed by Resolution 4.

RESOLUTIONS 5, 6 and 7

Resolution 5: Approval for the issue of 2.5 new Unsecured Convertible Notes to Mr. Andrew McMillan

Approval is sought pursuant to ASX Listing Rule 10.11 for the issue of 2.5 new Unsecured Convertible Notes (Notes) together with the issue of shares upon conversion of the Notes to Mr. Andrew McMillan or an associate of his.

Recommendation

The Board (excluding Mr. Andrew McMillan) recommends that shareholders approve the proposed issue of a Note as proposed by Resolutions 5.

Resolution 6: Approval for the issue of 3.0 new Unsecured Convertible Notes to Mr. Terry Cuthbertson

Approval is sought pursuant to ASX Listing Rule 10.11 for the issue of 3.0 new Unsecured Convertible Notes (Notes) together with the issue of shares upon conversion of the Notes to Mr. Terry Cuthbertson or an associate of his.

Recommendation

The Board (excluding Mr. Terry Cuthbertson) recommends that shareholders approve the proposed issue of a Note as proposed by Resolutions 6.

Resolution 7: Approval for the issue of 0.5 new Unsecured Convertible Note to Mr. James Dean

Approval is sought pursuant to ASX Listing Rule 10.11 for the issue of 0.5 new Unsecured Convertible Notes (Notes) together with the issue of shares upon conversion of the Notes to Mr. James Dean or an associate of his.

Recommendation

The Board (excluding Mr. James Dean) recommends that shareholders approve the proposed issue of a Note as proposed by Resolutions 7.

Issue of Convertible Notes to Related Parties (Directors/associates of Directors)

The following information is provided in accordance with ASX Listing Rule 10.13:

(a) Number of securities to be issued

The total number of Notes for which shareholder approval is being sought pursuant to resolutions 5, 6 and 7 is 6 Notes:

Resolution	Related Party	Number of Notes
5	Andrew McMillan (Director) or an associate of his	2.5
6	Terry Cuthbertson (Director) or an associate of his	3.0
7	James Dean (Director) or an associate of his	0.5
		6.0

Each Note may be converted into ordinary shares in the capital of the Company at the election of the Noteholder. Each Note has a conversion price which is the lesser of \$0.015 or a 20% discount to the 30 day volume weighted average price of the Company's shares at the time of conversion.

Number of Shares issued at a Conversion Price of \$0.015

Should the conversion price be \$0.015, each Note may be converted into 3,333,333 shares in the Company.

By way of example, should the conversion price of \$0.0056 (being a 20% discount to a share price of \$0.007), each Note may be converted into 8,928,571 shares in the Company.

(b) Date of issue and allotment

Subject to obtaining shareholder approval, the Company will issue the Convertible Notes within one month of the date of this Meeting.

(c) Issue price and terms of issue

The issue price of each Note is \$50,000.

The maturity date for each Note will be 5 May 2016 being the date that other Convertible Notes issued by the Company have been extended to.

Any Noteholder may, on giving at least 2 days' notice in writing to the Company, require the Company on or at any time after the Maturity Date to redeem any of the Noteholder's Notes which have not been converted. The Company may at any time following the Maturity Date, elect to repay all or any of the Notes which have not been converted.

Noteholders are entitled to interest at 15% per annum, payable quarterly in arrears on the last day of each quarter.

If the Notes are converted into ordinary shares in the capital of the Company, the resulting ordinary shares will rank equally in all respects with the Company's then existing fully paid ordinary shares.

(d) Intended use of the funds raised

Andrew McMillan has advanced \$125,000 and Terry Cuthbertson has advanced \$100,000 to the Company on a loan basis in anticipation that those loans would, subject to the shareholder approval contemplated by these resolutions, be converted into 4.5 Notes. The total funds of \$225,000 raised have been used for working capital purposes primarily relating to the ongoing development of the Lorena Gold project near Cloncurry, Queensland.

An aggregate of 1.5 Notes were issued to Directors (or their associates) in lieu of Directors Fees owing to them by the Company. No cash was received for the issue of these Notes however the liability to pay the relevant amount of Directors Fees was extinguished by the issue of these Notes.

Resolution	Related Party	Number of Notes used for Working Capital	Number of Notes issued in lieu of Directors Fees	Total Number of Notes Subscribed For
5	Andrew McMillan (Director) or an associate of his	2.5	-	2.5
6	Terry Cuthbertson (Director) or an associate of his	2.0	1.0	3.0
7	James Dean (Director) or an associate of his	-	0.5	0.5
		4.5	1.5	6.0

Chapter 2E of the Corporations Act 2001

The proposed grant of Notes under Resolutions 5, 6 and 7 to Directors of the Company (or their associates) involves giving a financial benefit to related parties for the purposes of Chapter 2E of the *Corporations Act 2001*. Chapter 2E prohibits the Company from giving a financial benefit to a related party of the Company unless either:

- the giving of the financial benefit falls within one of the nominated exceptions to the provisions; or
- prior shareholder approval is obtained for the giving of the financial benefit.

The Board (excluding the relevant Directors in each case) believe that the issue of these Notes to Directors or their associates is appropriate and reasonable in all circumstances, as they are being issued on the same terms and conditions as those that were issued to third party sophisticated and professional investors. Therefore the Company considers that the grant of these Notes comes within section 210 of the *Corporations Act 2001*, and accordingly that shareholder approval is not required for the purposes of Chapter 2E.

RESOLUTION 8.

Approval of Previous Issue of Shares – Convertible Notes Rollover Fees

The Company issued 5,129,497 fully paid ordinary shares on 19 May 2015 in respect of Rollover Fees payable to certain Convertible Noteholders.

All of the shares being the subject of this resolution are ordinary fully paid shares which rank equally with all of the Company's existing ordinary fully paid up shares and are quoted on the ASX.

The shares were issued as payment of Rollover Fees to the holders of Convertible Notes who agreed to extend their Convertible Notes to the Extended Maturity Date of 5 October 2015. This Rollover Fee was calculated as 1.75% of the Issue Price of each Note paid by the issue of Ordinary Shares for nil cash consideration at a deemed issue price of \$0.0051 being a 20% discount to the 30 day VWAP to 5 April 2015.

No new funds were raised by the issue of these shares.

Recommendation

The Board recommends that shareholders approve Resolution 8.

RESOLUTION 9.

Proposed issue of shares to Mr. Terry Cuthbertson – Convertible Note Rollover Fees

The Company proposes to issue 683,932 fully paid ordinary shares in respect of Rollover Fees payable to an associate of Mr. Terry Cuthbertson as a Convertible Noteholder.

The following information is provided in accordance with ASX Listing Rule 10.13:

(a) Name of the person

The shares will be issued to Kore Management Services Pty Ltd <Cuthbertson Super Fund A/C>

(b) Maximum Number of securities to be issued

The total number of shares to be issued for which shareholder approval is being sought is 683,932.

(c) Date of issue and allotment

Subject to obtaining shareholder approval, the Company will issue the shares within one month of the date of this Meeting.

(d) Issue price and terms of issue

519,949 shares are to be issued as payment of a Rollover Fee to an associate of Mr. Terry Cuthbertson as a Convertible Noteholder for agreeing to extend their Convertible Notes to the Extended Maturity Date of 5 October 2015. This Rollover Fee is calculated as 1.75% of the Issue Price of his Note paid by the issue of Ordinary Shares for nil cash consideration at a deemed issue price of \$0.0051 being a 20% discount to the 30 day VWAP to 5 April 2015.

170,983 shares are to be issued as payment of a Rollover Fee to an associate of Mr. Terry Cuthbertson as a Lender for agreeing to extend the repayment due date for the Loan (to be converted into a Convertible Note subject to approval of Resolution 6 above) to the Extended Maturity Date of 5 October 2015. This Rollover Fee is calculated as 1.75% of the face value of the loan paid by the issue of Ordinary Shares for nil cash consideration at a deemed issue price of \$0.0051 being a 20% discount to the 30 day VWAP to 5 April 2015.

All of the shares being the subject of this resolution will be ordinary fully paid shares which will rank equally with all of the Company's existing ordinary fully paid up shares and will be quoted on the ASX.

(e) Intended use of the funds raised

No new funds are to be raised by the issue of these shares.

Chapter 2E of the Corporations Act 2001

The proposed issue of shares to Mr. Terry Cuthbertson involves giving a financial benefit to a related party for the purposes of Chapter 2E of the *Corporations Act 2001*.

Chapter 2E prohibits the Company from giving a financial benefit to a related party of the Company unless either:

- a) the giving of the financial benefit falls within one of the nominated exceptions to the provisions; or
- b) prior shareholder approval is obtained for the giving of the financial benefit.

The Directors of the Company (excluding Mr. Terry Cuthbertson) believe that the issue of the shares to an associate of Mr. Cuthbertson as payment of a Rollover Fee is appropriate and reasonable in all circumstances, as they are being issued on the same terms and conditions as those that were issued to third party sophisticated and professional investors (refer Resolution 8). Therefore the Company considers that the issue of shares comes within section 210 of the Corporations Act 2001, and shareholder approval is not required for the purposes of Chapter 2E.

Recommendation

The Board (excluding Mr. Terry Cuthbertson) recommends that shareholders approve the proposed issue of shares as proposed by Resolution 9.

RESOLUTION 10.

Proposed issue of shares to Mr. Andrew McMillan – Convertible Note Rollover Fees

The Company proposes to issue 341,967 fully paid ordinary shares in respect of Rollover Fees payable to an associate of Mr. Andrew McMillan as a Convertible Noteholder.

The following information is provided in accordance with ASX Listing Rule 10.13:

(a) Name of the person

The shares will be issued to Andrew McMillan and Sally McMillan <The McMillan Super Fund>

(b) Maximum Number of securities to be issued

The total number of shares to be issued for which shareholder approval is being sought is 341,967.

(c) Date of issue and allotment

Subject to obtaining shareholder approval, the Company will issue the shares within one month of the date of this Meeting.

(d) Issue price and terms of issue

341,967 shares are to be issued as payment of a Rollover Fee to an associate of Mr. Andrew McMillan as a Convertible Noteholder for agreeing to extend their Convertible Note to the Extended Maturity Date of 5 October 2015. This Rollover Fee is calculated as 1.75% of the Issue Price of his Note paid by the issue of Ordinary Shares for nil cash consideration at a deemed issue price \$0.0051 being a 20% discount to the 30 day VWAP to 5 April 2015.

All of the shares being the subject of this resolution will be ordinary fully paid shares which will rank equally with all of the Company's existing ordinary fully paid up shares and will be quoted on the ASX.

(e) Intended use of the funds raised

No new funds are to be raised by the issue of these shares.

Chapter 2E of the Corporations Act 2001

The proposed issue of shares to Mr. Andrew McMillan involves giving a financial benefit to a related party for the purposes of Chapter 2E of the *Corporations Act 2001*. Chapter 2E prohibits the Company from giving a financial benefit to a related party of the Company unless either:

- a) the giving of the financial benefit falls within one of the nominated exceptions to the provisions; or
- b) prior shareholder approval is obtained for the giving of the financial benefit.

The Directors of the Company (excluding Mr. Andrew McMillan) believe that the issue of the shares to an associate of Mr. McMillan as payment of a Rollover Fee is appropriate and reasonable in all circumstances, as they are being issued on the same terms and conditions as those that were issued to third party sophisticated and professional investors (refer Resolution 8). Therefore the Company considers that the issue of shares comes within section 210 of the Corporations Act 2001, and shareholder approval is not required for the purposes of Chapter 2E.

Recommendation

The Board (excluding Mr. Andrew McMillan) recommends that shareholders approve the proposed issue of shares as proposed by Resolution 10.

RESOLUTION 11.

Proposed issue of shares to Mr. James Dean – Convertible Note Rollover Fees

The Company proposes to issue 170,983 fully paid ordinary shares in respect of Rollover Fees payable to an associate of Mr. James Dean as a Convertible Noteholder.

The following information is provided in accordance with ASX Listing Rule 10.13:

(a) Name of the person

The shares will be issued to Construction Equipment Finance Limited

(b) Maximum Number of securities to be issued

The total number of shares to be issued for which shareholder approval is being sought is 170,983.

(c) Date of issue and allotment

Subject to obtaining shareholder approval, the Company will issue the shares within one month of the date of this Meeting.

(d) Issue price and terms of issue

170,983 shares are to be issued as payment of a Rollover Fee to an associate of Mr. James Dean as a Convertible Noteholder for agreeing to extend their Convertible Note to the Extended Maturity Date of 5 October 2015. This Rollover Fee is calculated as 1.75% of the Issue Price of his Note paid by the issue of Ordinary Shares for nil cash consideration at a deemed issue price of \$0.0051 being a 20% discount to the 30 day VWAP to 5 April 2015.

All of the shares being the subject of this resolution will be ordinary fully paid shares which will rank equally with all of the Company's existing ordinary fully paid up shares and will be quoted on the ASX.

(e) Intended use of the funds raised

No new funds are to be raised by the issue of these shares.

Chapter 2E of the Corporations Act 2001

The proposed issue of shares to an associate of Mr. James Dean involves giving a financial benefit to a related party for the purposes of Chapter 2E of the *Corporations Act 2001*. Chapter 2E prohibits the Company from giving a financial benefit to a related party of the Company unless either:

- a) the giving of the financial benefit falls within one of the nominated exceptions to the provisions; or
- b) prior shareholder approval is obtained for the giving of the financial benefit.

The Directors of the Company (excluding Mr. James Dean) believe that the issue of the shares to an associate of Mr. McMillan as payment of a Rollover Fee is appropriate and reasonable in all circumstances, as they are being issued on the same terms and conditions as those that were issued to third party sophisticated and professional investors (refer Resolution 8). Therefore the Company considers that the issue of shares comes within section 210 of the Corporations Act 2001, and shareholder approval is not required for the purposes of Chapter 2E.

Recommendation

The Board (excluding Mr. James Dean) recommends that shareholders approve the proposed issue of shares as proposed by Resolution 11.

RESOLUTION 12.

Removal of PWC as Auditor

The Company has received notice of intention to move a resolution for the removal of PriceWaterhouseCoopers (PWC) as auditor of the Company. A copy of such notice has been provided to PWC in accordance with the Corporations Act.

PWC have provided audit services to the Company since 2002 and there has not been any disagreement with PWC at either the Board or management level of the Company in relation to the conduct of the audit or in relation to any accounting treatment or the application of accounting policies or otherwise. The Company has been pleased with the service level PWC has provided over the past eight years.

The Company is actively reducing its operating expenses and has established that material cost savings can be made by appointing a quality mid-tier audit firm to provide audit services rather than utilising top-tier audit firm.

The Company does not believe that the audit quality will be diminished as a result of changing auditors.

The Board recommends that shareholders approve Resolution 12 to remove PWC as auditor.

RESOLUTION 13.

Appointment of MNSA Pty Ltd as Auditor

The Board received and reviewed proposals from two audit firms to provide independent external audit services to the Company.

The Board resolved to recommend the appointment of MNSA Pty Ltd as the Company's auditors.

MNSA Pty Ltd have provided their consent to be appointed as Auditor.

A nomination from a Director to appoint MNSA Pty Ltd has been received and is incorporated in these meeting materials below.

Interdependence

Resolution 12 and 13 are interdependent, with the result that if only one Resolution is passed by members, the other does not become effective.

Terry Cuthbertson
860 Darkwood Road
Thora NSW 2454

1 October 2015

Notice of Nomination of MNSA Pty Ltd as Auditor

Mr. Andrew J. Cooke
Company Secretary
Malachite Resources Limited
Suite2, Level 10
8-10 Loftus Street
Sydney NSW 2000

Dear Andrew

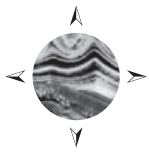
Nomination of Auditor – Malachite Resources Limited

For the purposes of Section 328B(3) of the Corporations Act 2001, I, Terry Cuthbertson, being a Director and member of Malachite Resources Limited ("Company"), hereby nominate MNSA Pty Ltd for appointment as auditor of the Company.

Yours sincerely



Terry Cuthbertson
Director
Malachite Resources Limited



malachite
resources

Malachite Resources Limited
ABN 86 075 613 268

┌ 000001 000 MAR
MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Lodge your vote:



By Mail:

Malachite Resources Limited
P.O. Box R1295
Royal Exchange NSW 1225
Australia

Alternatively you can fax your form to
(within Australia) 02 9475 0439
(outside Australia) +61 2 9475 0439

For all enquiries call:

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

Proxy Form

XX

For your vote to be effective it must be received by 2:00pm (Sydney Time) Saturday 28 November 2015

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form →



View your securityholder information, 24 hours a day, 7 days a week:

www.investorcentre.com

- Review your securityholding
- Update your securityholding

Your secure access information is:

SRN/HIN: I9999999999



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE
 FLAT 123
 123 SAMPLE STREET
 THE SAMPLE HILL
 SAMPLE ESTATE
 SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

IND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Malachite Resources Limited hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Malachite Resources Limited to be held at **The Philip Suite, The York Conference & Function Centre, Level 2, 95-99 York Street, Sydney NSW 2000 on Monday, 30 November 2015 at 2:00pm (Sydney Time)** and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on **Item 2** (except where I/we have indicated a different voting intention below) even though **Item 2** connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on **Item 2** by marking the appropriate box in step 2 below.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

BUSINESS	For	Against	Abstain		For	Against	Abstain
2. Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9. Approve proposed issue of shares to Mr. Terry Cuthbertson – Convertible Note Rollover Fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Re-election of Mr. Andrew McMillan as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10. Approve proposed issue of shares to Mr. Andrew McMillan – Convertible Note Rollover Fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Ratification of the issue of new Unsecured Convertible Notes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11. Approve proposed issue of shares to Mr. James Dean – Convertible Note Rollover Fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Approval for the issue of 2.5 new Unsecured Convertible Notes to Mr. Andrew McMillan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12. Removal of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Approval for the issue of 3 new Unsecured Convertible Notes to Mr. Terry Cuthbertson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	13. Appointment of Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Approval for the issue of 0.5 new Unsecured Convertible Note to Mr. James Dean	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
8. Ratify the previous issue of shares – Convertible Note Rollover Fees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date

/ /

MAR

999999A

Computershare