



# Malachite Resources Limited

ABN 86 075 613 268

ASX ANNOUNCEMENT

27 FEBRUARY 2009

## Share Purchase Plan raises \$168,816

Malachite Resources NL is pleased to advise that its **Share Purchase Plan** (“SPP”) has closed after raising \$168,816.

The Company has allotted 2,110,200 shares to SPP applicants. These shares will be entered into uncertificated holdings on 2 March 2009.

The Company appreciates the support shown by its shareholders in the current economic climate. The funds raised from the SPP will provide the Company additional working capital for carrying out its exploration in eastern Australia and advancing its negotiations for a joint venture at the Conrad Silver Project.

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**ABOUT MALACHITE** – Malachite Resources is a Sydney-based resources company that listed on the ASX in November 2002 and is an active explorer for silver, tin, gold, copper and associated base metals in eastern Australia. At the beginning of January, 2009 the Company had approximately \$1.5 million in cash and no debt. The Company’s key assets are:

The **CONRAD SILVER PROJECT**, which is located 25km south of Inverell, in northern NSW, where the Company is evaluating the scope to reopen the old **Conrad Silver Mine** near Inverell. Conrad has had two previous periods of production but has not operated for over 50 years. Drilling at Conrad by Malachite has intersected narrow high grade, massive sulphide, silver-rich base metal veins, like those mined in the past, and wide zones of lower grade, disseminated and stockwork veined, polymetallic mineralisation. At current prices, silver represents 50% of total recoverable metal value in the Conrad ore and tin accounts for about 25% of the value. The currently defined mineral resource at Conrad contains approximately 10Moz of silver, or 19Moz of silver equivalent. This resource remains open along strike and at depth. The Company is now seeking a joint venture partner to fund the project through to feasibility and a development decision.

Malachite also has excellent exposure to tin, through its **ELSMORE** Project, located 20km east of Inverell, where the Company is considering the possible development of a paleo-alluvial tin deposit, known as the **Karaula Lead**, at the Newstead Prospect. The Karaula Lead appears to have the potential to support a small surface mining operation, which could be developed with low capital and operating costs and generate useful cash flow for the Company. Work is now underway to better quantify the Karaula Lead deposit and assess its economics.

Encouraging tin results have also recently emerged from the Company’s **DELUNGRA** Project, located west of Inverell.

The **VOLGA COPPER PROJECT**, located in northwest Queensland, east and northeast of Mt Isa, where the Company is exploring for copper-gold at the **Mt Lidster** and **Volga Elderberry** properties. Previous drilling at Mt Lidster and Volga has produced some encouraging high grade copper intersections.

The **TOOLOOM GOLD PROJECT** also in northeast NSW. Tooloom is a forgotten goldfield rediscovered by Malachite where numerous prospects have been identified, including a significant green fields discovery called **Phoenix**. The company is systematically exploring Phoenix and the other prospects at Tooloom, which are intrusion-related and have major ore potential.