



malachite
resources

ASX Announcement

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MALACHITE TO ACQUIRE INTEREST IN JEJEVO NICKEL PROJECT – SOLOMON ISLANDS

Malachite Resources Limited (ASX: MAR) is pleased to advise that it has entered into a Share Subscription Agreement with Sunshine Minerals Limited to acquire an interest in the Jejevo Nickel Project in the Solomon Islands.

Malachite has executed a subscription agreement to acquire up to 15% of Sunshine Minerals Limited (“Sunshine”), a private company incorporated in the Solomon Islands. Sunshine owns 80% of Sunshine Nickel which holds PL 01/18 located on the south coast of Santa Isabel Island. The remaining 20% of Sunshine Nickel is owned by local land owners.

The Jejevo Nickel Project is located within the PL 01/18 project area.

The Jejevo Nickel Project is an advanced stage direct shipping ore nickel laterite project with excellent potential for development. The project was previously drilled in 2013 and the initial objective is to do sufficient work to confirm a 2012 JORC Resource at the earliest opportunity.

The Jejevo Nickel Project has a number of positive aspects including its close proximity to the coast, no processing requirements, low capital route to direct shipping ore production and local landowner support. It is envisaged that mining of the project could potentially commence within 2 years.

The key terms of the acquisition are summarised below:

- Malachite pays \$75k in two tranches to Sunshine to extend an exclusivity period to 31 March 2020 – these funds will be allocated to due diligence and corporate costs. The first tranche of A\$25k is payable upon signing of the subscription agreement. The second tranche of A\$50k is conditional on:
 - Solomon Islands mines department board approval to retain PL01/18 for its full term to 9 July 2021; and
 - Technical confirmation of geological data carried out by Sumitomo on PL01/18
- Malachite can elect to earn its 15% interest as follows:
 - a) a 7.5% shareholding in Sunshine by spending A\$100k on work principally progressing the Jejevo geological data to 2012 JORC; and
 - b) a further 7.5% shareholding in Sunshine by spending a further A\$125k on work principally associated with progressing the Jejevo geological data to JORC and advancing technical work in preparation for a mining lease application.

Malachite will seek regulatory approvals as required.



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For further information, please visit the company's website at www.malachite.com.au