



Malachite Resources Limited

ABN 86 075 613 268

ENVIRONMENTAL POLICY STATEMENT

Malachite is strongly committed to conducting its operations in an environmentally responsible manner, applying the highest standards and industry best practice to all its field activities. Relevant government approvals are obtained and measures are taken to minimise the environmental impact and to ensure that following the activities involved, the land is restored and rehabilitated to as close as possible to its original condition.

Surface disturbance is kept to a minimum, but where it is necessary, full cognisance is given to the environmental impact of the work to be carried out. For example, if trenching is required for mapping and geochemical sampling, the trenches are back-filled after the work is finished, the top soil is replaced and the surface is seeded with vegetation (usually grass) similar to that which already adjoins the trench, or otherwise as the land owner requires. Wherever possible, previously disturbed sites are re-visited periodically to monitor the progress of rehabilitation and to take further action if it is required to ensure successful rehabilitation.

A similar approach is taken to the rehabilitation of drill sites where, during drilling, temporary sediment dams (“sumps”) and erosion barriers are constructed to ensure that slimes and dirty water from the drilling do not escape into the surrounding area. At the conclusion of drilling, the sumps (which are generally lined with plastic) are removed and any residual sediment is rolled up with the plastic and both are disposed of responsibly. In many situations above-ground sumps are used. Plastic sheeting and oil absorbent matting are also placed on the ground beneath the drill rig to collect drips and spillages of oil or other contaminants from the rig.

The Company is not aware of any complaints about its environmental practices from owners of land on which it has operated or from Government officers with regulatory responsibility. On the contrary, Malachite has been complimented on several occasions for its environmental diligence.