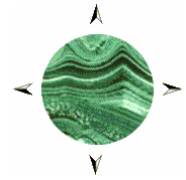


Malachite Resources NL

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ASX Announcement

Code: **MAR**

1 December 2006

NATIVE TITLE AGREEMENT AT CONRAD SILVER PROJECT

Malachite has completed the right to negotiate process over land at the Conrad Silver Project that is subject to a native title claim.

Malachite Resources NL (ASX: MAR) advises that it has now completed the requirements of the right to negotiate process in accordance with Section 31 of the Native Title Act 1993 (C'1th) in relation to land subject to a native title claim within EL5977 at the Conrad Silver Project in northern NSW.



Completion of this process, which began in April, 2003, means that highly prospective ground from which the Company was previously excluded, under the terms of EL5977, now becomes available to it for exploration purposes. This includes an area immediately along strike from high grade intersections in the King Conrad lode achieved by the Company in drilling earlier in 2006, when drilling was conducted within the adjoining ML5992.

A short reverse circulation percussion drilling program will be completed on the newly accessible land in the near future. This is aimed at tracing out the north western extension of the King Conrad lode in preparation for a detailed resource drilling program, within both the Conrad MLs and the EL, due to commence very early in 2007.

About Malachite – Malachite Resources is a Sydney-based resources company that listed on the ASX in November 2002 and is an active explorer for gold, silver and base metals in Eastern Australia. The Company has made significant green fields gold discovery, called **Phoenix**, at Tooloom, in northeast NSW and has recently entered into a farm in agreement with Newmont Australia Ltd., whereby Newmont may earn a 51% interest in the project by spending \$5 million on exploration over the next five years.

Elsewhere in northern NSW the Company is evaluating the scope to reopen the old **Conrad** silver mine near Inverell. Recent drilling at Conrad by Malachite intersected high grade silver-base metal mineralisation over true widths of 2 – 5m and the outlook for the project is very promising. The Company also has several other properties in the New England region of NSW that offer excellent potential for the discovery of economic gold, silver, copper, tin, tungsten and antimony deposits, with most prospects being polymetallic in nature.

In northwest Queensland the Company is exploring the **Mt Lidster** copper prospect, where initial drilling by Malachite intersected high grade primary copper mineralisation over widths of several metres. Follow up drilling at Mt Lidster will commence within a few days.

For further information please visit the Company's website: www.malachite.com.au
or contact: **Garry Lowder, Managing Director** at (02) 9411 6033 or by email at:
glowder@malachite.com.au

G.G. LOWDER
Managing Director
1 December 2006