



Malachite Resources NL

ABN 86 075 613 268

Malachite raises \$4.3 Million by Placement of Shares

Malachite Resources NL ("MAR") is pleased to announce a placement of 19,189,000 ordinary fully paid shares at 22.5 cents per share to raise \$4,317,525.

In addition the Company has issued 9,594,500 options (MAROA) having an exercise price of 20 cents and being exercisable on or before 31 August 2008 for no additional consideration on the basis of one option for every two shares issued as referred to above.

The allottees were primarily institutional, professional, sophisticated, foreign investors or clients of a financial services licensee identified by the Directors of the Company.

The issue of shares and options has been made in accordance with resolutions approved by shareholders of the Company at the Company's Annual General Meeting held on 23 November 2006. The shares allotted are ordinary fully paid shares ranking *pari passu* with all of the Company's existing ordinary fully paid up shares.

Funds raised from the issue of the shares will be used to advance the Company's various exploration projects and for working capital purposes. A large part of the new funding will be applied to Malachite's Conrad Silver Project, where an intensive resource drilling program is due to start in January 2007. This follows completion last week of the Right to Negotiate process for EL5977, giving the Company access to prospective ground that is subject to native title and from which it had previously been excluded.

Funds will also be applied to drilling at the Mt Lidster Copper Project and to further enhancement of Malachite's expanding interest in the world class Mt Isa copper province.

The Company will make application to the ASX for quotation of the shares and options to be issued.

The Company seeks to rely on Section 708A(5) of the Corporations Act ("the Act") in respect of the issue of these shares.

In accordance with Section 708A(5)(e) of the Act, the Company gives notice that:

- The Company has issued these shares without disclosure to the places under Part 6D.2 of the Act;
- As at the date of this notice, the Company has complied with:
 - the provisions of Chapter 2M of the Act as they apply to the Company;
 - Section 674 of the Act
- As at the date of this notice there is no excluded information (as defined in Section 708A (7) of the Act) which is required to be disclosed by the Company.

Yours faithfully

Andrew J Cooke
Company Secretary
4 December 2006