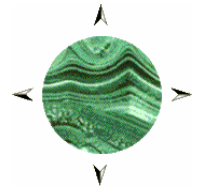


Malachite Resources NL

ABN 86 075 613 268



Suite 1502, Tower B, 799 Pacific Highway, Chatswood NSW 2067
P O Box 5218, West Chatswood NSW 1515
Tel. (02) 9411 6033 Fax (02) 9411 6066

ASX Announcement

Code: MAR

19 November 2007

VOLGA COPPER PROJECT UPDATE

Malachite Resources NL (ASX: MAR) advises that drilling at the Volga Copper Project has been suspended after completion of four holes due to unsatisfactory performance by the drilling contractor. Volga is located about 70km northeast of Mount Isa in northwest Queensland.

After 39 days of diamond core drilling the contractor had completed just four holes for a total of 580m, at an average of only 7.5m per available shift. For comparison, another contractor achieved about 35m per shift for diamond core drilling at Volga on a previous occasion. The poor performance by the contractor meant that drilling costs were unacceptably high. A decision has therefore been taken to cancel the contract and suspend further drilling until 2008, when a new contractor has been lined up to re-commence drilling at Volga and to drill at Mt Lidster.

Three of the four new holes completed at Volga have intersected copper mineralisation. More details of these intersections will be provided once assays results have been received.

The deferment of the current program is disappointing but the Company is confident that the existing mid 2008 decision points in the Volga and Mt Lidster exploration programs will still be met.

For further information please visit the Company's website: www.malachite.com.au or contact: **Garry Lowder, Managing Director** at (02) 9411 6033 or 0417 212 099, or by email at: glowder@malachite.com.au

A handwritten signature in blue ink, appearing to read 'G.G. Lowder', with a stylized flourish at the end.

G.G. LOWDER
Managing Director
19 November 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's key assets are:

The **CONRAD SILVER PROJECT** located 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 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. Preliminary economic modelling suggests that a mineral resource containing 25-30 million ounces of silver equivalent would be sufficient to support reopening of the Conrad Mine. To date a resource containing just over 10 million ounce of silver equivalent has been defined.

The **VOLGA COPPER PROJECT** 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. Drilling by Malachite at Mt Lidster and by the current holders at Volga has produced some superb 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 greenfields discovery called **Phoenix**. The company is systematically exploring Phoenix and the other prospects at Tooloom, which are intrusion-related and have major ore potential.

Malachite also has excellent exposure to tin, through its **ELSMORE** Project, near Inverell in northern NSW. The Company is considering the possible development of a small open pit tin-tungsten mine at one or more of several prospects known in the district.

COMPETENT PERSON STATEMENT

The information in this report that relates to Exploration Results is based on information compiled by Dr Garry Lowder, who is a Fellow of the Australasian Institute of Mining and Metallurgy. Dr Lowder has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' Dr Lowder consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.