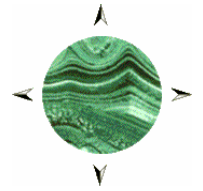


Malachite Resources NL

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ASX Announcement

Code: MAR

7 April 2008

CONRAD SILVER PROJECT: More High Grade Results as Program Escalates

HIGHLIGHTS

- New high grade intersections in the King Conrad and Conrad Lodes expected to add significantly to resource inventory, e.g.
- CMRD16: 1.45m @ 446g/t Ag, 0.81% Cu, 14.28% Pb, 2.32% Zn & 0.48% Sn
- Encouraging new results for the bulk tonnage 'Greisen Zone' as well
- Metallurgical studies progressing very satisfactorily
- Land purchased for potential mine site facilities

Malachite Resources NL (ASX: MAR & MAROA) is pleased to advise that the 10,000 metre 2008 drilling program at its 100% owned Conrad Silver Project has escalated with the arrival of a second rig this week. The first assay results for 2008 have also now been received and the Company is very encouraged by the intersection of further high grade mineralisation like that which characterised drilling in 2007. Metallurgical studies are also progressing well and the Company has purchased land for potential use for mine site facilities.



Figure 1:
Conrad Silver Project
Location Plan

Managing Director, Garry Lowder, commented:

“We expect the mineral resource at Conrad to grow substantially this year as our 2008 drilling has already made some very attractive ‘hits’ in lode material. What’s more, reinterpreting last year’s results suggested that some existing holes may have been terminated too soon. Sure enough, when we extended CMRD16, previously thought to be outside the resource, we hit high grade mineralisation in the King Conrad Lode at 270m below surface.

This is the deepest intersection so far in the King Conrad Lode, with one of the best mineralised envelopes, and it should add significantly to resources.”

Drilling Results – Twelve new holes have been completed so far in 2008 and two earlier holes have been extended, including CMRD16, which produced a high grade intercept in the King Conrad Lode, within an unusually broad mineralised envelope 7m in true width. Another of the new holes (CMRC57) has produced the best Greisen Zone intersections so far, with silver values over 1m up to 269g/t Ag. Details of hole locations, objectives and assay results for new drill holes CMRC57 and CMRC60 and the extensions of CMRD16 and CMRD 32 are summarised in Tables 1 and 2, while Figures 2 and 3 show the areas drilled at Conrad in plan and long section, respectively.

Resource estimates will not be revised until later in the program but it is clear that the existing mineral resource in the King Conrad Lode will be extended to depth and along strike, where it remains open. Some of the as yet unassayed intersections in the Conrad Lode (e.g. CMRD63; Fig. 3) have also been very encouraging (based on visual appraisal), extending high grade mineralisation to at least 360m below surface and likely to add substantially to resources.

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“The results for CMRC57 are particularly pleasing, as this hole was drilled into the low grade, bulk tonnage ‘Greisen Zone’ target and the good assay results for this hole suggest that designating the Greisen Zone as ‘low grade’ may be a little premature,” Dr Lowder added.

Metallurgical studies – Flotation tests, based on drill core samples are being conducted at a laboratory in Sydney, using a flow sheet based on that used successfully by Broken Hill South Limited in the 1950s. The initial results are encouraging, with production of separate copper, lead, zinc and tin concentrates in a sequential flotation process. Silver reports very strongly to the lead concentrate. The Company believes that readily marketable products will be achievable for the Conrad ore, as indeed they were when the mine was operated by Broken Hill South Limited.

Purchase of Land for Mine Site Facilities – Malachite is today completing the purchase of a freehold property that adjoins the mining leases near the Davis end of the Conrad system. The property, known as “Jadree”, comprises 336.6ha (approximately 840 acres) and includes both wooded, rocky terrain and nearly flat land currently under pasture. Core cutting and sample processing facilities are being set up at Jadree in the short term and it is envisaged that if the mine proceeds to development some of the land at Jadree may be used for mine infrastructure.

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



G.G. LOWDER
Managing Director
7 April 2008

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. At the beginning of 2008 the Company had just over \$7 million in cash and no debt. 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 over 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. At current prices silver represents 30-40% of total metal value in the Conrad ore. Preliminary economic modelling suggests that a mineral resource containing 8-10 million ounces of silver plus base metals would be sufficient to support reopening of the Conrad Mine. Drilling to establish that resource continues.

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 very encouraging high grade copper intersections. Drilling is scheduled to resume in May, 2008.

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. Further drilling will take place in April, 2008.

Malachite also has excellent exposure to tin, through its **ELSMORE** Project, near Inverell in northern NSW, where the Company is considering the possible development of an alluvial tin deposit at the Newstead Prospect. This newly discovered deposit could be developed at low capital cost and has the potential to generate cash flow for the Company while the much larger Conrad Project is taken through bankable feasibility, mine planning and development.

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Table 1: Drill Location Hole Details

Hole No.	Collar Details				Objectives	Final Hole Depth (m)
	Northing (m) GDA94	Easting (m) GDA94	Magnetic Azimuth (Degrees)	Inclination (Degrees)		
CMRD16	6684927	308921	342	-65	Extended from 261.3m to test for down dip extension of King Conrad Lode	353.9
CMRD32	6685046	308731	023	-59	Extended from 144.5m to test for down dip extension of King Conrad Lode	212.7
CMRC57	6685082	308869	205	-51	Obtain metallurgical sample material from Greisen Zone	46
CMRD58	6685080	308872	205	-51	Metallurgical samples of Greisen and King Conrad Lode	78.95
CMRD59	6684980	308905	027.5	-69	Metallurgical samples of King Conrad Lode	64.25
CMRC60	6685101	308816	028.5	-50	Test for Greisen extension to northwest	112

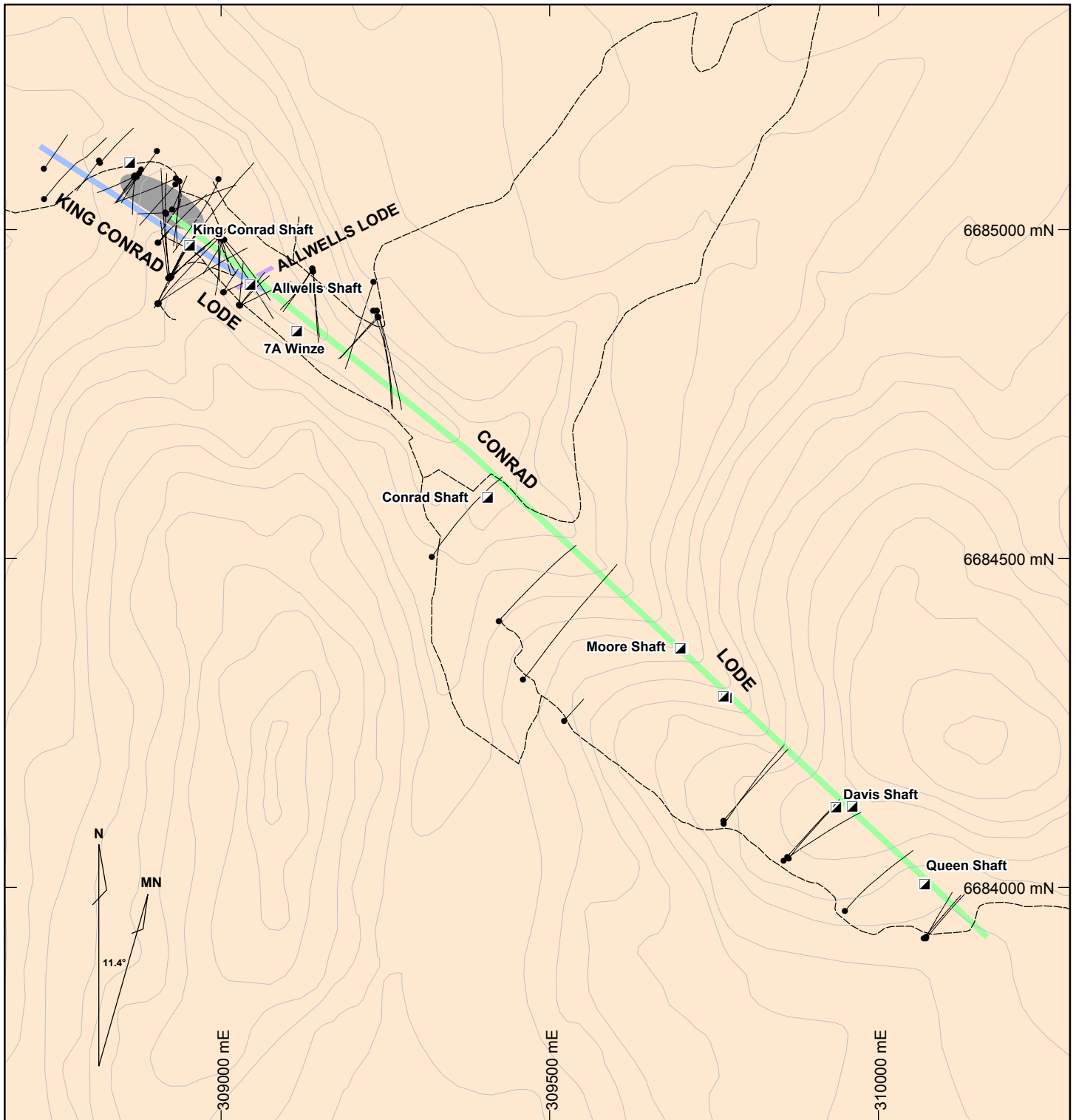
Table 2: Assay Results for CMRD16, CMRD32, CMRC57 and CMRC60

HOLE NO.	FROM (m)	TO (m)	DOWN-HOLE LENGTH [& EST. TRUE WIDTH] (m)	SILVER g/t Ag	COPPER % Cu	LEAD % Pb	ZINC % Zn	TIN % Sn	MINERALISATION ENCOUNTERED
CMRD16	293.0	310.0	17.0 [7.2]	58	0.10	1.70	0.73	0.12	King Conrad Lode with unusually broad mineralised envelope
	Including	305.91	307.36	1.45 [0.6]	446	0.81	14.28	2.32	0.48
CMRD32	145.65	145.91	0.26 [0.13]	909	0.18	3.15	4.74	0.71	Very narrow King Conrad Lode with minimal mineralised envelope
CMRC57	7	15	8 [5.0]	73	0.01	0.88	0.61	0.19	Well mineralised greisen with locally high silver grades, including 8-9m: 1m @ 269g/t Ag; 21-22m: 1m @ 119g/t Ag; and 35-37: 2m @ 140/t Ag
	And	21	39	18 [11.3]	59	0.01	0.97	0.73	
CMRC60	No mineralised Greisen intersected. Best intersection: 53-54m: 1m @ 66g/t Ag, 0.03% Cu, 0.46% Pb, 1.07% Zn and 0.14% Sn.								

Notes: Indium has not yet been analysed for these samples.
 CMRD58 and CMRD59 are metallurgical sample holes that have not yet been assayed.

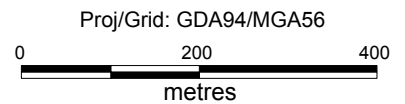
COMPETENT PERSON STATEMENT

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.



LEGEND

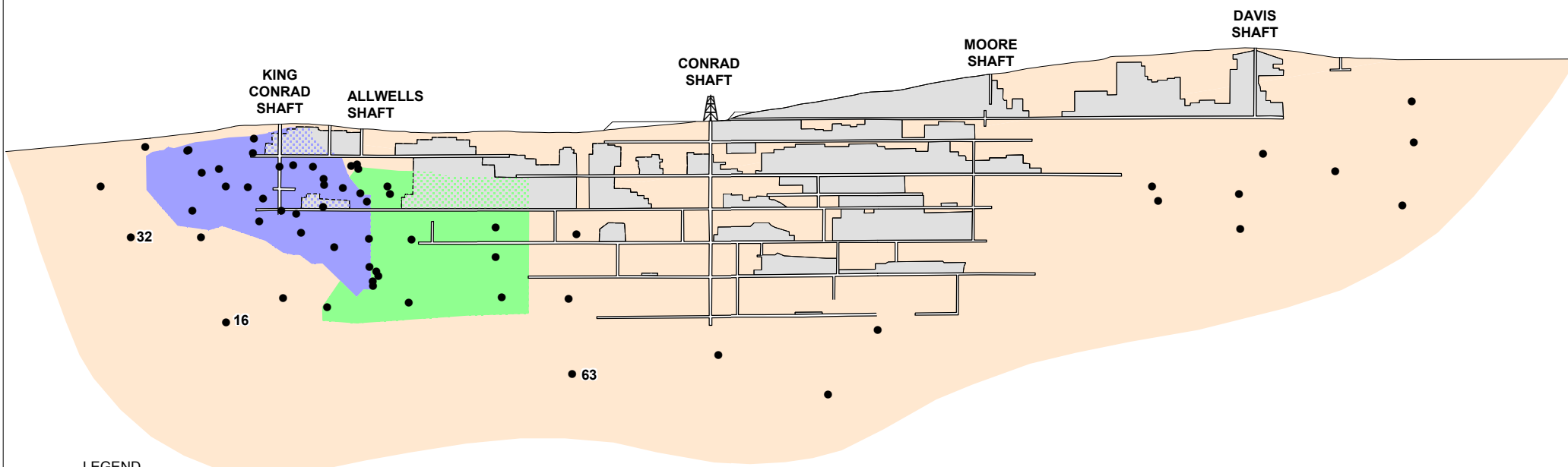
- Drill hole showing projected hole trace
- Shaft, winze
- (dashed) Track
- (solid) Contour (10m interval)
- (orange) Gilgai Granite
- (blue) Interpreted position of King Conrad Lode
- (green) Interpreted position of Conrad Lode
- (purple) Interpreted position of Allwells Lode
- (grey oval) Interpreted position of Greisen Zone



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CONRAD SILVER MINE DRILLHOLE PLAN	
Scale: 1:8500	Date: 4 April 2008
Ref. #: CON-0047	Figure 2

NW

SE



LEGEND

- 16 Drill hole intercept through lode showing selected drill hole numbers
- ⊥ Shaft, drive
- ▒ Stope
- King Conrad Lode resource block (2007 estimate)
- Conrad Lode resource block (2007 estimate)
- Gilgai Granite



MALACHITE RESOURCES NL
CONRAD SILVER MINE
Longitudinal Section
 April 2008 Figure 3