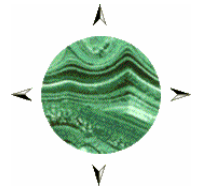


Malachite Resources NL

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ASX Announcement

Code: MAR

8 May 2008

CONRAD SILVER PROJECT: Good Results Continue in Drill Holes 61 to 64

HIGHLIGHTS

- Assay results received for four more drill holes
- Additional high grade intersections in the Conrad Lode, e.g.:
- CMRD63: 2.60m @ 430g/t Ag, 0.20% Cu, 8.95% Pb, 4.35% Zn & 0.10% Sn
- This intersection extends known high grade mineralisation to 360m depth
- Two drill rigs currently operating: One rig testing down-plunge from old workings in central part of Conrad Lode
- Second rig at King Conrad following up high grade hit in CMRD16

Malachite Resources NL (ASX: MAR & MAROA) advises that assay results for a further four drill holes at its 100% owned Conrad Silver Project have now been received. These holes are part of an ongoing drilling program, involving at least 10,000m of drilling in 2008, aimed at substantially upgrading the existing resource estimate for the project. The new results are expected to contribute significantly to that upgrade, especially with CMRD63 reporting high grade mineralisation as much as 360m below the surface.

Managing Director, Garry Lowder, commented:

“We are very pleased with the latest results, which seem to be fairly typical of the Conrad Lode. It is also nice to see well developed mineralised envelopes adjoining the high grade lode in holes 63 and 64, enhancing the potential for relatively low-cost, mechanised underground mining of this lode.”

Figures 2 and 3 show the drilled area at Conrad in plan and long section, respectively, while Figure 4 is a cross-section through three of the holes reported here. Details of drill hole locations, objectives and assay results for the four newly reported drill holes are set out in Tables 1 and 2.

It is important to appreciate that most of the current drilling is in widely spaced holes, nominally 100m apart along strike and down dip. As the drilling program proceeds the best intersections, which are interpreted to be within discrete ore shoots, are followed up with more closely spaced drilling. Allowing for the concentration of high grade ore into shoots, Malachite’s current drilling is providing much encouragement, with a high rate of excellent intersections suggesting large and well developed ore shoots.

One of the new drill holes (CMRD61) was a scout hole drilled to test the depth continuity of the Conrad Lode beneath the Conrad Shaft. It intersected only weak and narrow lode material, presumably because it is outside a discrete plunging ore shoot. Some new drilling has also taken place at the south eastern end of the Conrad Lode, near and beyond the Davis Shaft, with encouraging results; no assays are available for those holes as yet.



Figure 1:
Conrad Silver Project
Location Plan

Malachite Resources NL
Conrad Silver Project – May 2008

Two drill rigs are currently operating at Conrad, one of which is focussed on delineating the central section of the Conrad Lode – which is where most of the historical production came from – down-plunge from the old workings; it is currently drilling CMDD74. The second rig has been moved to the King Conrad area to drill follow up holes near the very good intersection in CMRD16 Extended, which also pushed known high grade mineralisation to considerable depth, in this case in the King Conrad Lode; it is currently drilling CMRD75.

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)		
CMRD61	6684502	309320	025	-70	Test depth continuity of Conrad Lode 60m below base of Conrad shaft	393.5
CMRD62	6684877	309232	149.5	-52	Test Conrad Lode 100m SE of 2007 drilling and 190m NW of Conrad shaft	250.0
CMRD63	6684878	309232	149.5	-66	Deeper cut on same section as CMRD62	420.4
CMRD64	6684877	309232	149.5	-61	Test midway (vertically) between CMRD62 and CMRD63 intersections	327.4

Table 2: Assay Results for CMRD61 to CMRD64

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
CMRD61	368.83	370.0	1.17 [0.5]	48	0.15	0.92	0.68	0.12	Narrow Conrad Lode with minimal mineralised envelope; interpreted as being outside an ore shoot.
	Including	369.03	369.60	0.57 [0.26]	91	0.29	1.53	1.09	
CMRD62	223.0	228.6	5.6 [2.5]	24	0.10	0.29	0.69	0.12	Wide Conrad Lode, but with low metal content; may be due to core loss or localised quartz rich zone. Core recoveries of 86% for 223.0-228.6m & 67% for 226.33-228.6m
	Including	226.33	228.6	2.27 [1.0]	55	0.23	0.53	1.56	
CMRD63	392.39	399.88	7.49 [1.9]	163	0.09	3.71	1.66	0.10	High grade Conrad Lode, of good width, with well developed mineralised envelope
	Including	394.17	396.77	2.60 [0.7]	430	0.20	8.95	4.35	
CMRD64	298.6	306.0	7.4 [2.6]	121	0.04	2.76	0.56	0.08	High grade Conrad Lode, of good width, with well developed mineralised envelope
	Including	299.95	301.16	1.21 [0.4]	668	0.12	14.40	1.94	

Notes: Indium has not yet been analysed for these samples.
Assaying of half HQ sized core for CMRD61 and CMRD62, and quarter HQ sized core for CMRD63 and CMRD64. Full core recovery, other than in CMRD62 (see comments above).

Malachite Resources NL
Conrad Silver Project – May 2008

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
8 May 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.

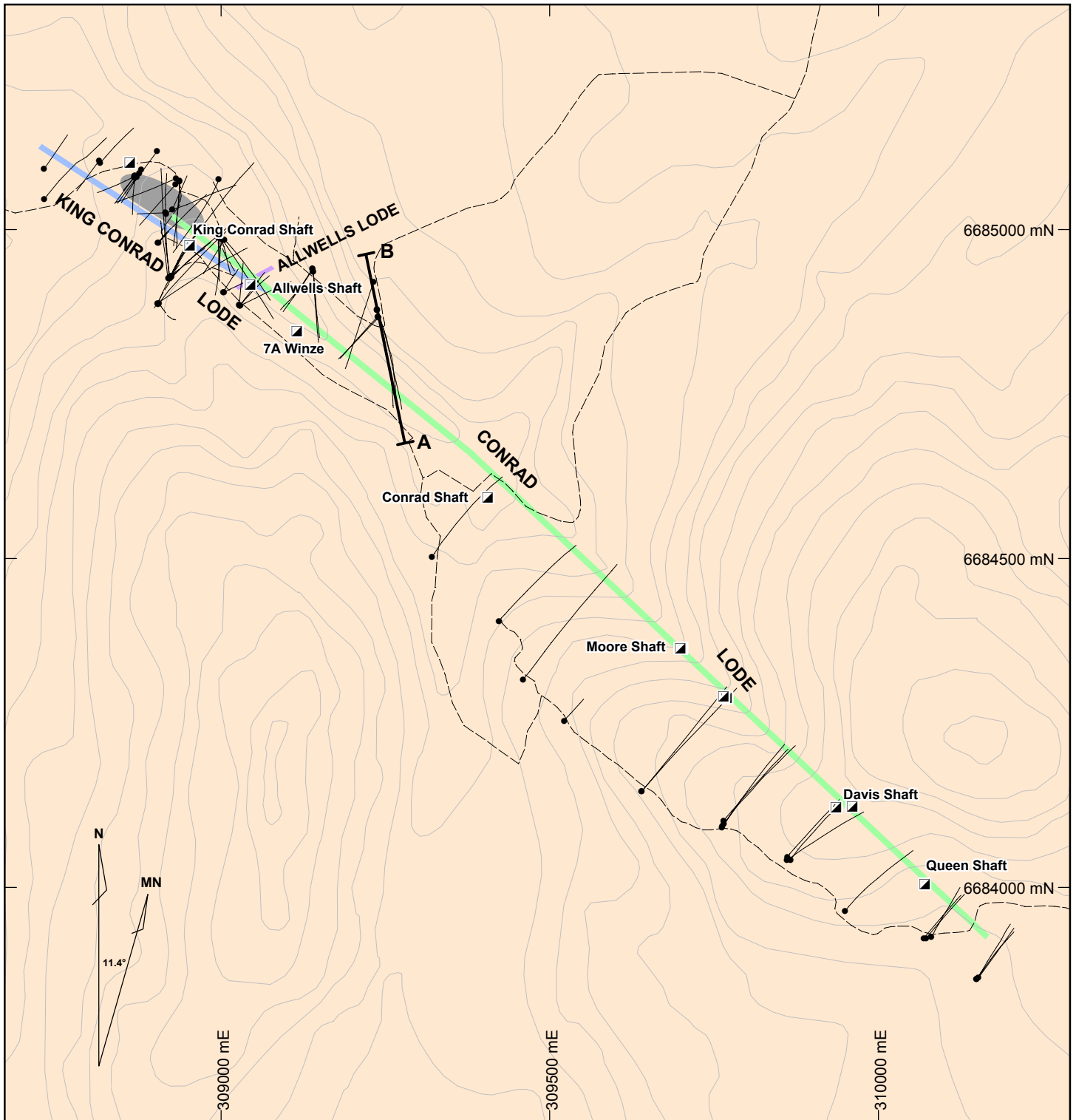
The **VOLGA COPPER PROJECT** in northwest Queensland, east and northeast of Mt Isa, where the Company is exploring for copper-gold at the **Mt Lidster** and **Volga Elderberry** properties. Drilling by Malachite at Mt Lidster and by the current holders at Volga has produced some very encouraging high 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.

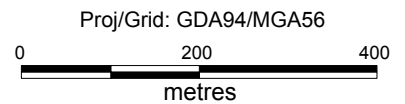
COMPETENT PERSON STATEMENT

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
- (solid with A-B) Cross section line (Figure 4)
- (blue) Interpreted position of King Conrad Lode
- (green) Interpreted position of Conrad Lode
- (purple) Interpreted position of Allwells Lode
- (grey) Interpreted position of Grisen Zone



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CONRAD SILVER MINE

DRILL HOLE PLAN

Scale: 1:8500	Date: 6 May 2008
Reference #: CON-0047	Figure 2

NW

SE

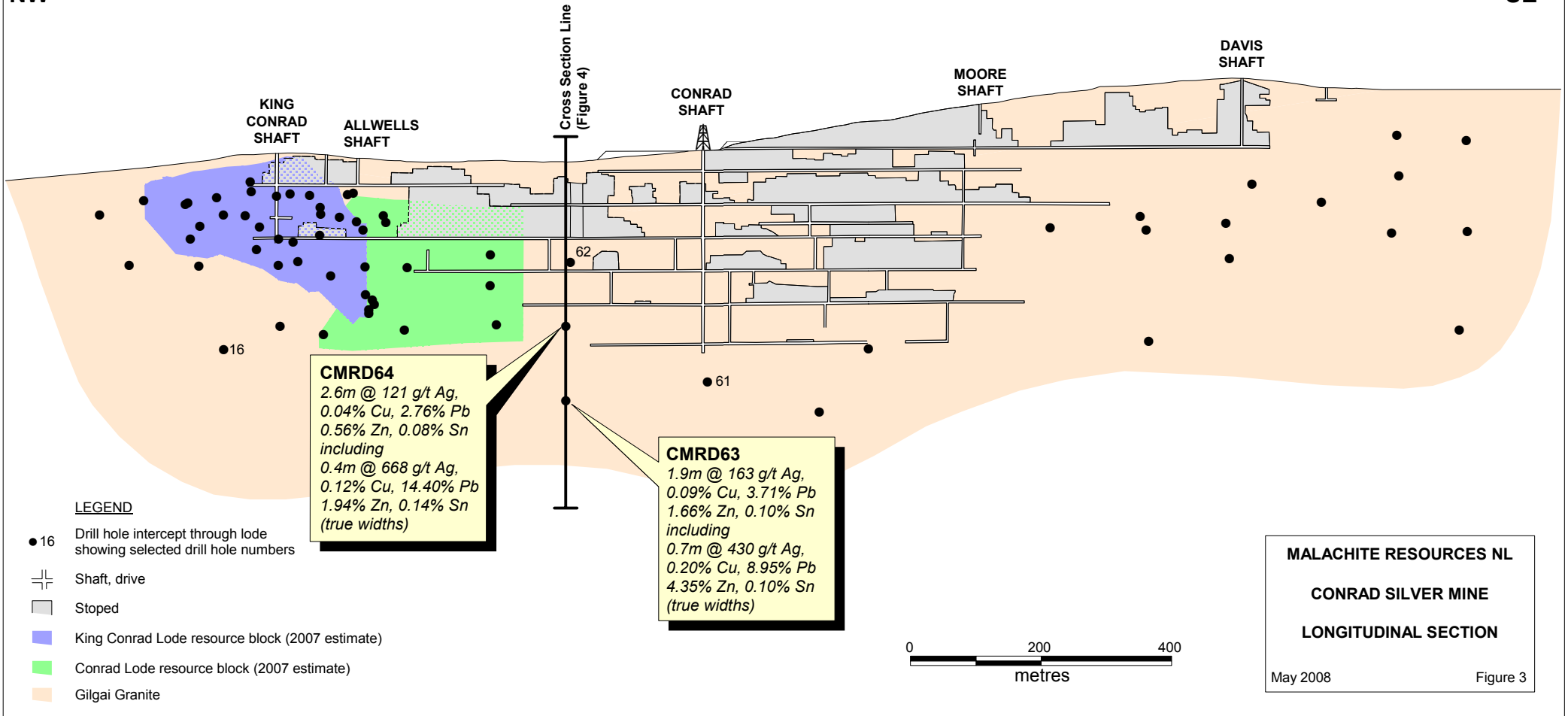
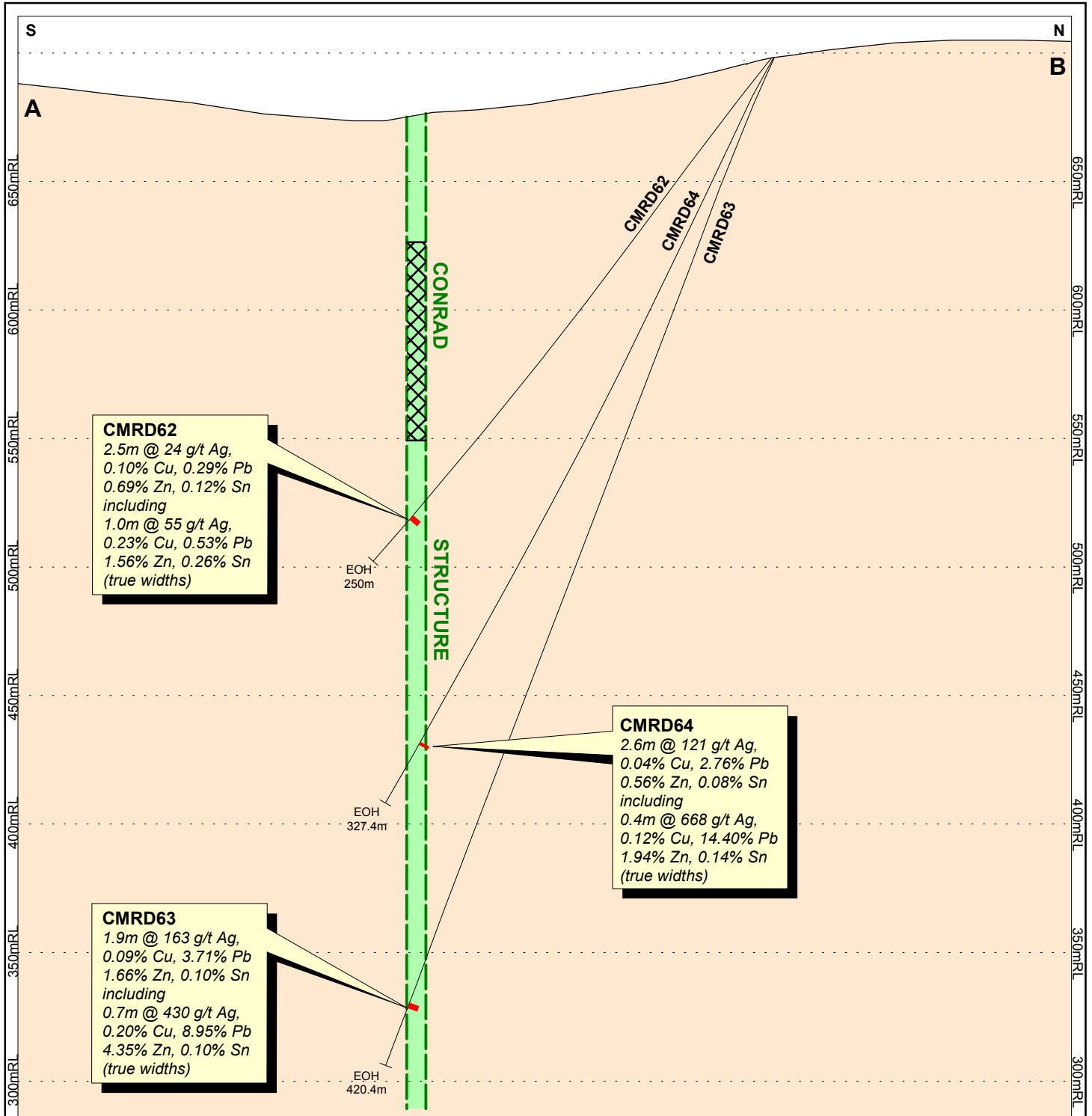




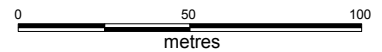


Figure 3



LEGEND

-  Lode intersection (true width) in drill hole
-  Interpreted mineralised structure
-  Stope
-  Gilgai Granite



 **MALACHITE RESOURCES NL**

**CONRAD SILVER MINE
 COMPOSITE DRILL HOLE SECTION**

Scale: 1:2200	Date: May 2008
Reference #: CON-0050	Figure 4