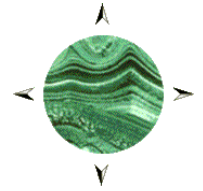


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ASX Announcement

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BUSHFIRE CAUSES SUSPENSION OF DRILLING AT TOOLOOM GOLD PROJECT

Malachite Resources Limited (ASX: MAR) advises that the diamond drilling program currently underway at the Company's wholly owned Tooloom Gold Project has been suspended due to a bushfire.



The first hole at the Joes Gully Prospect was at a depth of 290m when a major bushfire, started by a lightning strike nearby, burnt through the area. All personnel were evacuated safely but damage has occurred to ancillary drilling equipment; the rig itself does not appear to be damaged.

There is a continuing safety risk due to the possibility of trees badly burnt in the fire falling onto the access road and drill site. Accordingly, drilling has been suspended until the area is deemed safe and the damaged equipment can be replaced.

It is unlikely that drilling will resume at Tooloom for at least a month.

Samples from two drill holes completed earlier at the Back Creek Prospect have been despatched to the laboratory for assay. The available core from Joes Gully will also be sampled and sent for assay as soon as possible.

For further information please visit the Company's website: www.malachite.com.au
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or by email at: glowder@malachite.com.au

G. G. LOWDER
Managing Director
10 December 2009