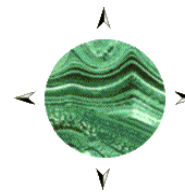


Malachite Resources Limited

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ASX Announcement

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Share Purchase Plan raises \$933,295

Malachite Resources Limited is pleased to advise that its **Share Purchase Plan** ("SPP") has closed raising \$933,295.

The Company has allotted 16,969,006 shares which will be applied to SPP applicants' holdings today.

The Company's Managing Director – Dr. Garry Lowder said:

"Malachite greatly appreciates the very pleasing level of support shown by its shareholders in the current economic climate. The funds raised from this SPP will be applied in the coming months to:

- i) Undertake reconnaissance drilling at our Standon tin discovery at Delungra;*
- ii) Conduct a limited drilling program at our Tooloom Gold Project;*
- iii) Advance our plans for mining tin at Elsmore; and*
- iv) Continue the process of finding a joint venture partner for Conrad".*

"The success of this SPP will allow the Company to resume its growth path and position itself to benefit from the recovery in commodity prices that has taken place in recent months".

For further information please visit the Company's website: www.malachite.com.au

or contact: **Andrew Cooke, Company Secretary** at (02) 9411 6033

or by email at: acooke@malachite.com.au

Andrew J. Cooke
Company Secretary

ABOUT MALACHITE – Malachite Resources is a Sydney-based resources company that listed on the ASX in November 2002 and is an active explorer for silver, tin, gold, copper and associated base metals in eastern Australia. At the end of June, 2009 the Company had approximately \$1 million in cash and no debt. The Company's key assets are:

CONRAD: The Conrad Silver Project is located 25km south of Inverell in northern NSW. The Company is evaluating the scope to reopen the old Conrad mine, which 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 50% of total recoverable metal value in the Conrad ore and tin, copper, lead and zinc make up the balance. The currently defined mineral resource at Conrad contains approximately 10Moz of silver, or 19Moz of silver equivalent. This resource remains open along strike and at depth.

Malachite also has excellent exposure to tin, through its **ELSMORE** Project, located 20km east of Inverell, where the Company is considering the possible development of a paleo-alluvial tin deposit, known as the **Karaula Lead**, at the Newstead Prospect. The Karaula Lead appears to have the potential to support a small surface mining operation, which could be developed with low capital and operating costs and generate useful cash flow for the Company. Work is now underway to better quantify the Karaula Lead deposit, determine an appropriate processing route and assess the economic viability of mining.

Encouraging tin results have also recently emerged from the Standon Tin Prospect at the Company's **DELUNGRA** Project, located west of Inverell.

The **TOOLOOM GOLD PROJECT** also in northeast NSW, is based on a forgotten goldfield rediscovered by Malachite. Numerous prospects have been identified, including a significant green fields discovery called **Phoenix**. The company is systematically exploring Phoenix and the other prospects at Tooloom, which are intrusion-related and have major ore potential. Drill-ready targets have been identified at four prospects within the Tooloom project area.