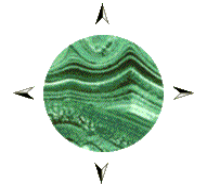


# Malachite Resources Limited

ABN 86 075 613 268



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**ASX Announcement**

**Code: MAR**

**4 November 2010**

## **ACQUISITION OF HIGH GRADE LORENA GOLD PROJECT PARTIES COMPLETE DUE DILIGENCE**

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- **As previously advised, Malachite has signed a conditional Share Sale Agreement (“SSA”) with the shareholders of Volga Elderberry Pty. Limited (“VEPL”), which is the sole owner of the high grade LORENA GOLD PROJECT, located near Cloncurry in northwest Queensland.**
  - **Pursuant to the SSA, the Sellers will vend VEPL into Malachite for shares, giving them in aggregate approximately a two thirds stake in the enlarged company.**
  - **Both Malachite and the Sellers have completed their final due diligence investigations.**
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Malachite Resources Limited (ASX: MAR) is pleased to advise that each of the parties to the Share Sale Agreement relating to the acquisition of VEPL have completed their final due diligence investigations. Accordingly the parties have moved one step closer to completion of this transaction pursuant to which Malachite will acquire the high grade Lorena Gold Project.

Completion of the acquisition remains subject to a number of conditions precedent, including:

- a. The grant of five mining lease applications at Lorena to VEPL, and
- b. Approval of the transaction by the shareholders of Malachite.

Shareholders will have the opportunity to consider and, if thought fit, to approve the acquisition of VEPL and the Lorena Gold Project at the Company’s Annual General Meeting which is to be held on 23 November 2010.

Upon completion Malachite will become a much bigger company with excellent potential to expand upon the existing resources at Lorena and to generate strong cash flows from production.

For further information please telephone Garry Lowder on 02 9411 6033 or email the company at [info@malachite.com.au](mailto:info@malachite.com.au) and visit the website: [www.malachite.com.au](http://www.malachite.com.au)

A handwritten signature in blue ink, appearing to read 'G. G. Lowder', is positioned above the typed name and title.

G. G. LOWDER  
Managing Director  
4 November 2010