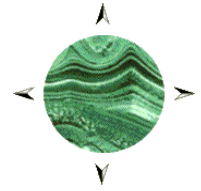


Malachite Resources Limited

ABN 86 075 613 268



Suite 1502, Tower B, 799 Pacific Highway, Chatswood NSW 2067
P O Box 5218, West Chatswood NSW 1515
Tel. (02) 9411 6033 Fax (02) 9411 6066

ASX Announcement

Code: MAR

11 February 2011

ACQUISITION OF LORENA GOLD PROJECT COMPLETED

Malachite Resources Limited (“Malachite” or “the Company”; ASX: MAR) is pleased to advise that the Company has completed its purchase of the Lorena Gold Project (“Lorena”). The purchase of Lorena was completed by acquiring all of the shares of Volga Elderberry Pty Limited (“VEPL”), pursuant to a Share Sale Agreement (“SSA”) signed on 29 September 2010. VEPL owns all of the Lorena assets, including tenements and plant and equipment on site. The consideration for the transaction was the issue of 350,000,000 MAR shares to the former shareholders of VEPL, which now becomes a wholly owned subsidiary of Malachite.

Commenting on the transaction, Malachite Managing Director, Garry Lowder, said:

“This is the beginning of an exciting new chapter of Malachite’s growth story and will greatly enhance our transition from junior explorer to emerging miner. Our geologists are highly motivated to get on the ground and turn Lorena into a company-maker for Malachite.”

The Lorena Gold Project is located approximately 15km east of Cloncurry in northwest Queensland (Fig. 1) and the project’s tenements comprise one granted mining lease (ML1747), five mining lease applications (“MLAs”) whose grant is believed to be imminent, one Exploration Permit for Minerals (EPM18189) and two EPM Applications (“EPMAs”) (see Fig. 2). There is a competing application for one of the EPMAs (EPMA18307).

Now that completion has occurred the Company plans to proceed with a comprehensive drilling program at Lorena, to commence by the end of March, initially within ML7147 and later on adjoining ground, once the MLAs are granted. The program is aimed at upgrading the mineral resource to a level where, upon conversion of resources to reserves, the contained gold will amount to at least 150,000 ounces. At the same time, economic models for the development of Lorena as a 50,000 ounce per annum open pit gold mine will be prepared, leading it is hoped to the commencement of a final feasibility study before year end.

While the drilling is underway, exploration elsewhere within the Lorena tenements will be conducted and the newly recognised copper-gold potential identified within ML7147 will be followed up. The regional exploration will begin on EPM18189, which has already been granted, and will be extended to the other EPMAs and MLAs once they have also been granted. Regional, nearby discoveries and historical data indicate that there are some very attractive targets on the ground currently awaiting grant.

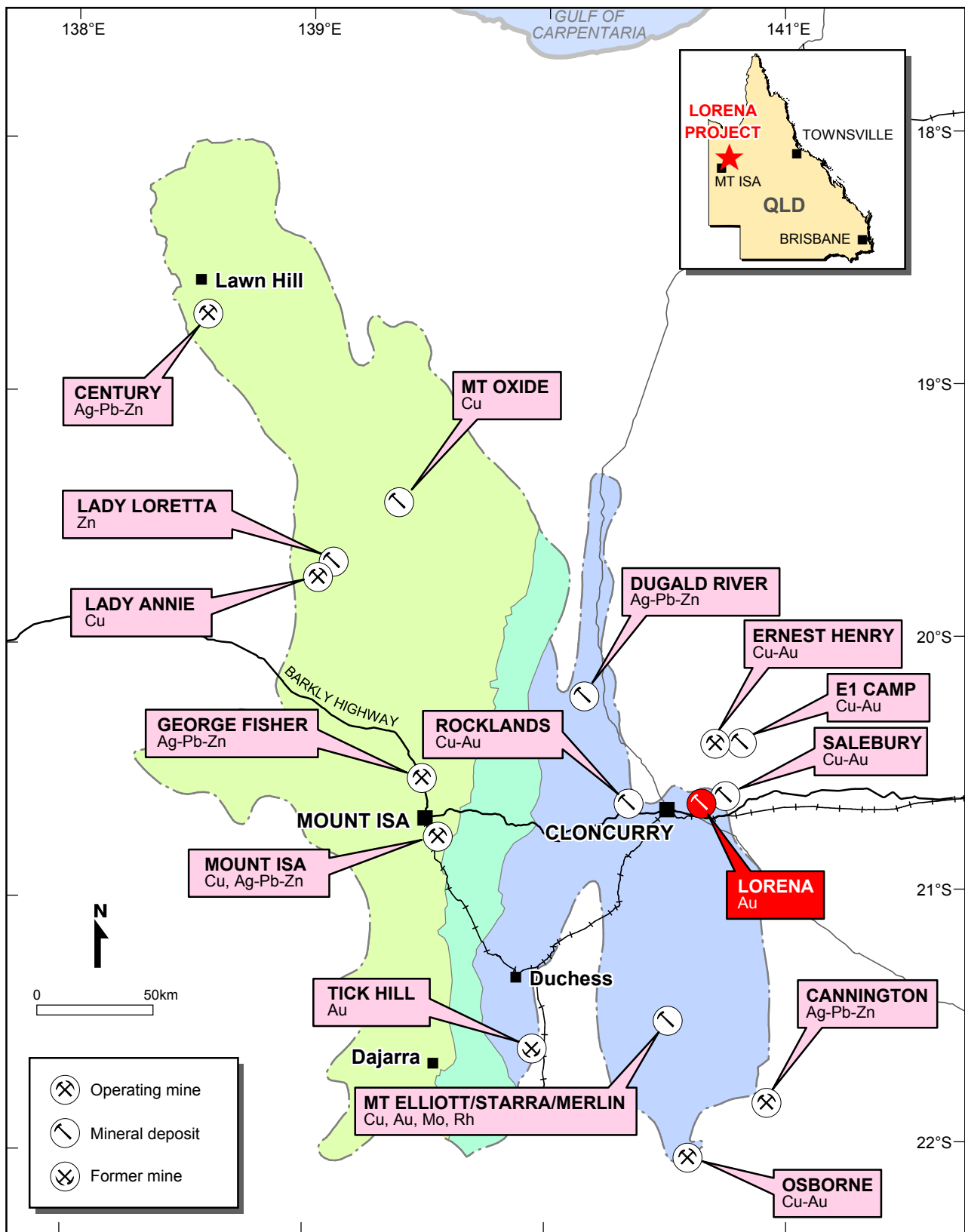
Following completion of the acquisition, and pursuant to the SSA, the Company has appointed Messrs Joel Bidois and James Dean as directors of Malachite Resources Limited.

For further information please telephone Garry Lowder on 02 9411 6033 or email the company at info@malachite.com.au and visit the website: www.malachite.com.au



G. G. LOWDER
Managing Director
11 February 2011

Information – On 29 September 2010 Malachite Resources Limited (“Malachite”) signed a Share Sale Agreement (“SSA”) with Volga Elderberry Pty. Limited (“VEPL”) and its shareholders pursuant to which Malachite would acquire all of the shares of VEPL, whose principal asset is the Lorena Gold Project, located near Cloncurry in northwest Queensland. Lorena is a partly defined, high grade gold deposit which Malachite believes can be expanded rapidly to a viable mineable resource and fast-tracked to production as a profitable, high margin gold mine, generating strong cash flows. Full details of the Lorena transaction can be found in a MAR ASX release dated 29 September 2010 and in the Notice of Meeting issued for the Annual General Meeting held on 23/11/2010 and lodged with the ASX on 22 October 2010.



Legend

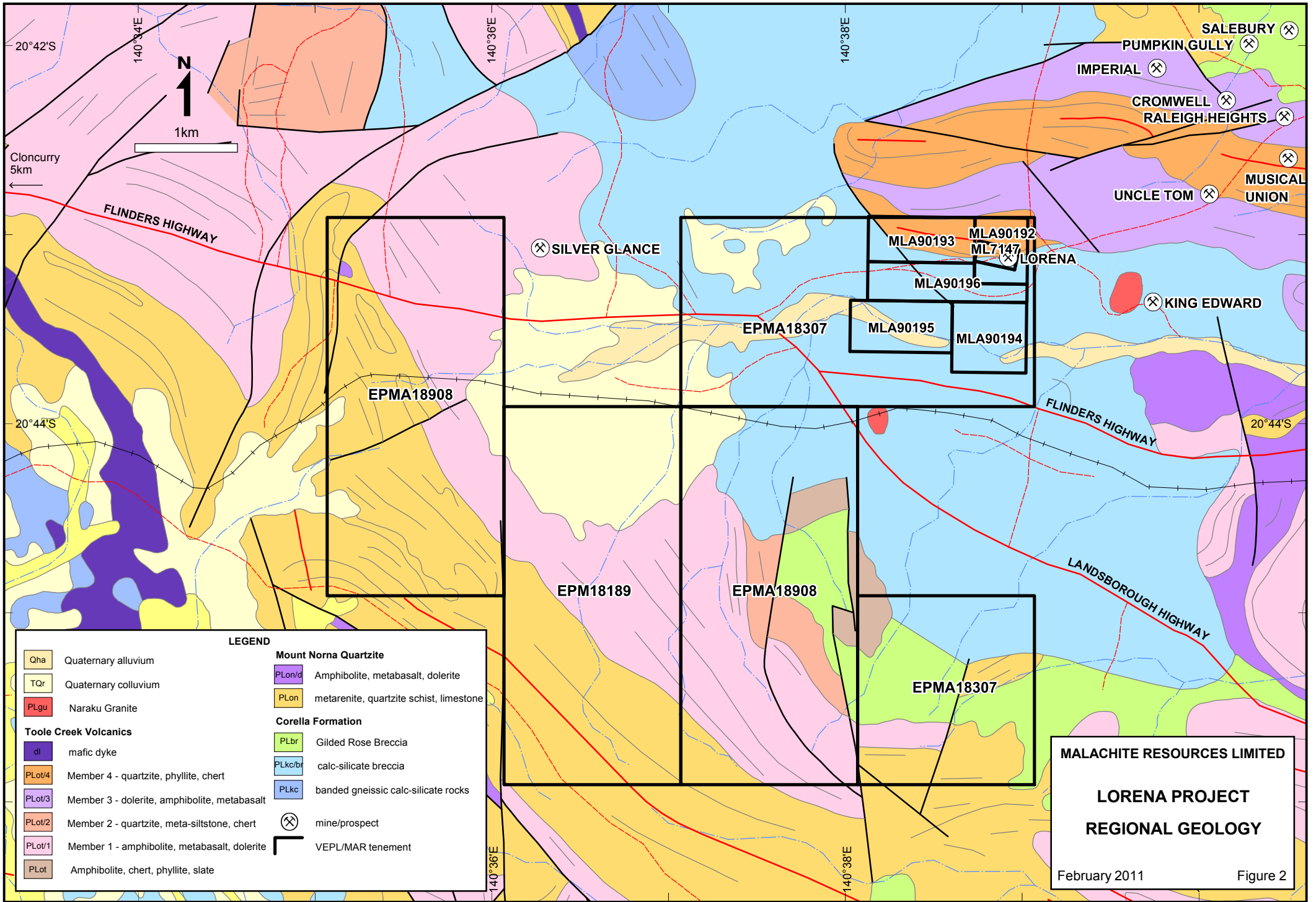
- Town
- Highway
- Sealed road
- Railway
- Younger cover sequence
- Eastern Succession
- Western Succession
- Kalkadoon Leichhardt Belt
- Operating mine
- Mineral deposit
- Former mine

MALACHITE RESOURCES LIMITED

**LORENA GOLD PROJECT
LOCATION AND MAJOR
METALLIC MINERAL DEPOSITS
OF THE MT ISA DISTRICT**

Scale: 1:2,500,000 Date: February 2011

Figure 1



MALACHITE RESOURCES LIMITED

LORENA PROJECT

REGIONAL GEOLOGY

February 2011 Figure 2