

Malachite Resources



Disclaimer and Competent Person Statement

Disclaimer

This presentation may contain forward looking statements that are subject to risk factors associated with exploration and mining. It is believed that the expectations reflected in these statements are reasonable but they may be affected by variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimations, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory changes, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates. All references to dollars, cents or \$ in this presentation are to Australian currency unless otherwise stated.

Competent Person Statement

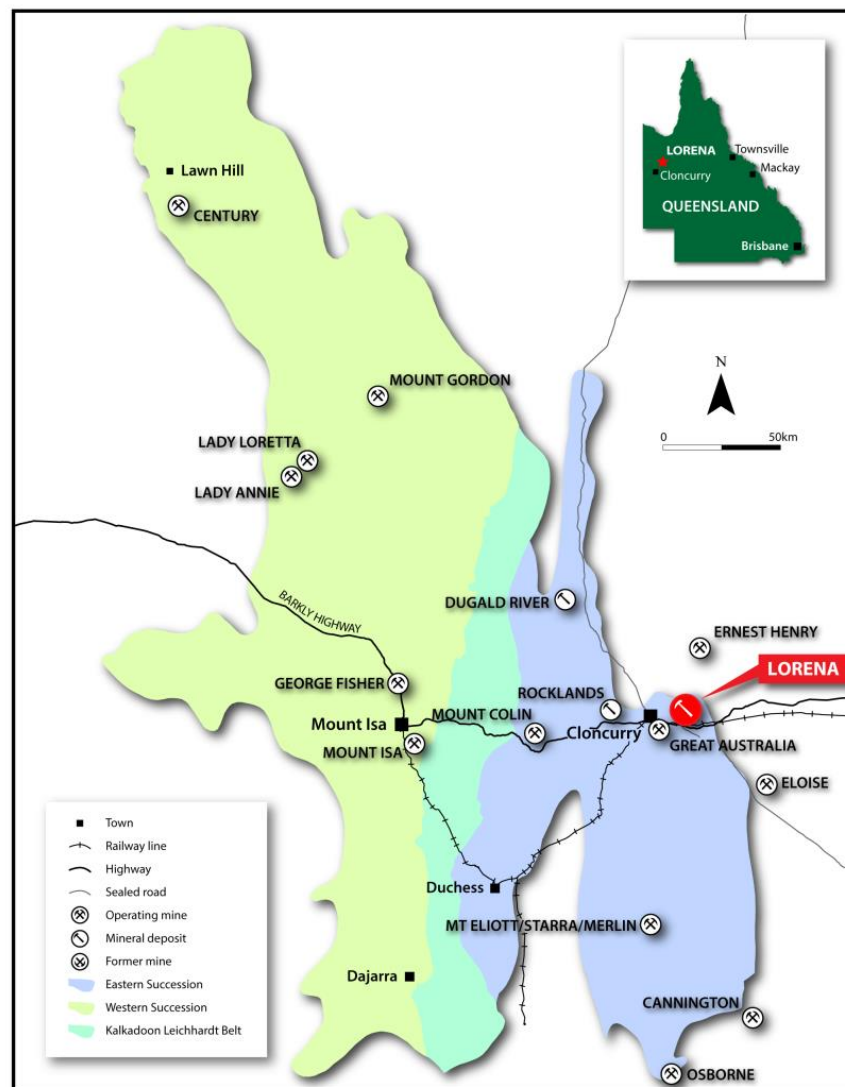
The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr Michael Donnelly, who is a part time employee of the Company. Mr Donnelly is a Member of the Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activities which he is undertaking to qualify as a Competent Person as defined in the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' Mr Donnelly consents to the inclusion in this report of the matters based on his information in the form and context in which it appears..

The information in this report that relates to the Lorena Gold Project resource is extracted from the report entitled Resource Update at Lorena created and released to the ASX on 27 January 2012 (which contained a separate Competent Person Statement by Geos Mining). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.



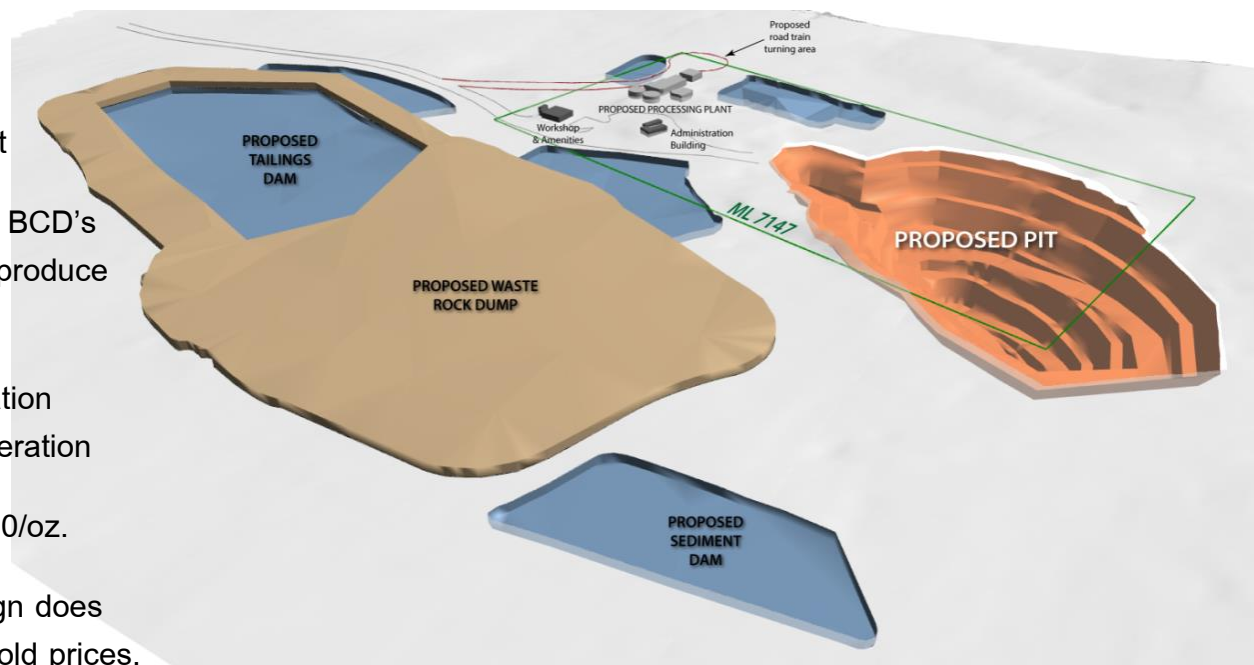
Malachite Resources

- The Lorena Gold project, 15km east of Cloncurry and 135km east of Mt Isa, Qld
- Malachite entered into a 50/50 joint venture with BCD Resources NL (ASX code: BCD) in July 2013 to develop the Lorena project.
- A flotation processing plant facility is being constructed to produce a concentrate on site for shipment.
- Concentrate production expected early 2015.
- Significant cash flow generated for growth opportunities.



Lorena Gold Project

- Gold grade mined around 11g/t - robust
- Gold-bearing concentrate transported to BCD's Beaconsfield gold plant in Tasmania to produce gold dore.
- Gold recovered in the first year of operation around 30,000 ozs from an open cut operation
- Operating costs forecast at A\$850-A\$900/oz.
- Our high gold grade means the pit design does not change with recently observed A\$ gold prices.
- Stage 2 is a potential underground operation which relies on further exploration at depth.

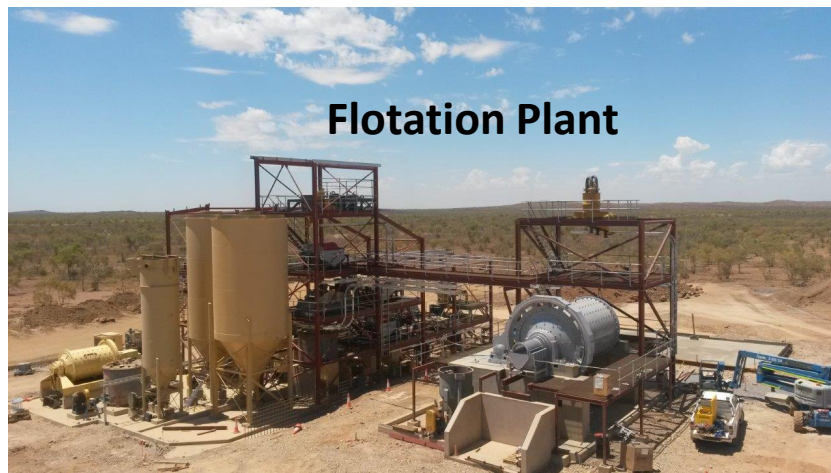


Lorena Project – Schedule

- ✓ Positive metallurgical test work completed in the first quarter of 2014 to confirm process flow sheet.
- ❖ Environmental approval from the DEHP – May 2014 (five months later than anticipated)
- ✓ Flotation plant erected and equipment installed.
- ✓ Water bore field completed with flows in excess of plant requirements.
- ✓ Primary ball mill installed November 2014.
- ❖ Delivery of MCC delayed by two and a half months (commissioning delayed by same timeframe) – now due in early December.
- ✓ Gen sets in Brisbane awaiting transport to site to coincide with MCC delivery.
- ✓ Mining contractor engaged and on site.
- Wet commissioning expected to commence by year end.
- First concentrate expected to be produced early 2015.



Lorena Project – Photos



Lorena Project – Photos

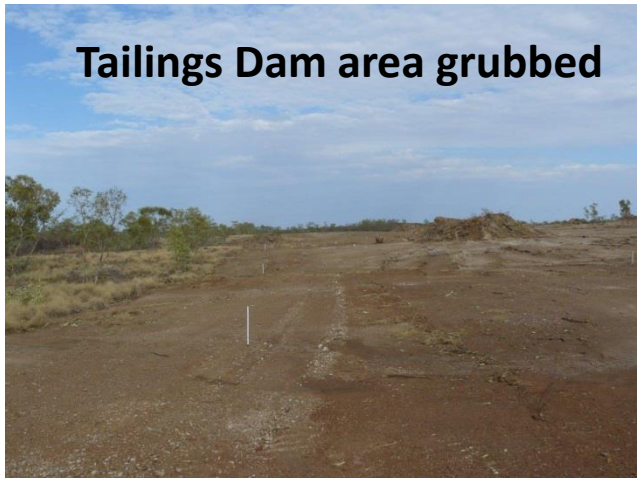
Waste rock removal



ROM Pad preparation



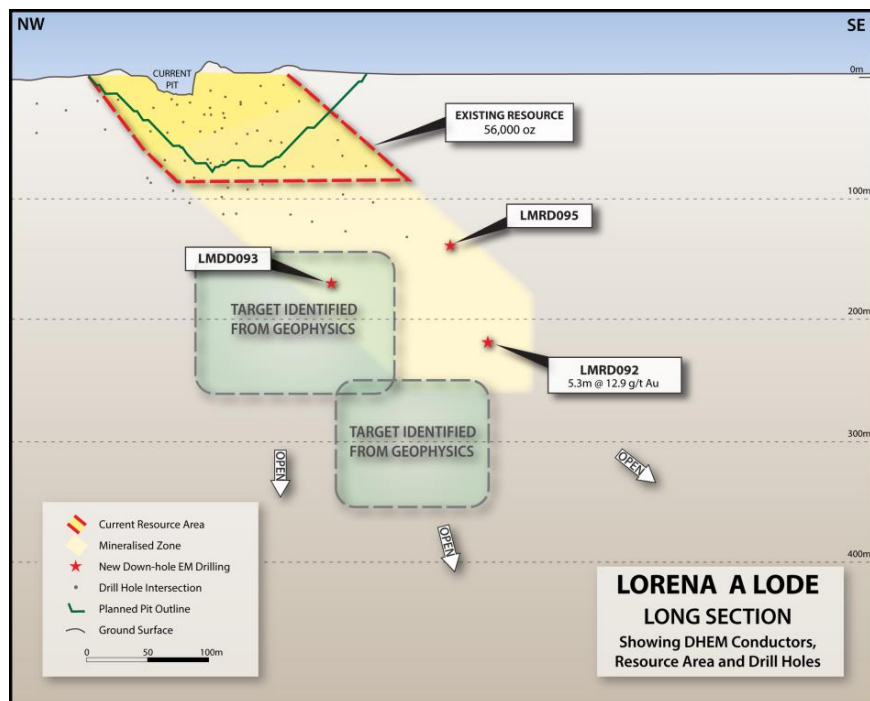
Tailings Dam area grubbed



Concentrate loading area



Lorena Project – Targeting Resources at Depth

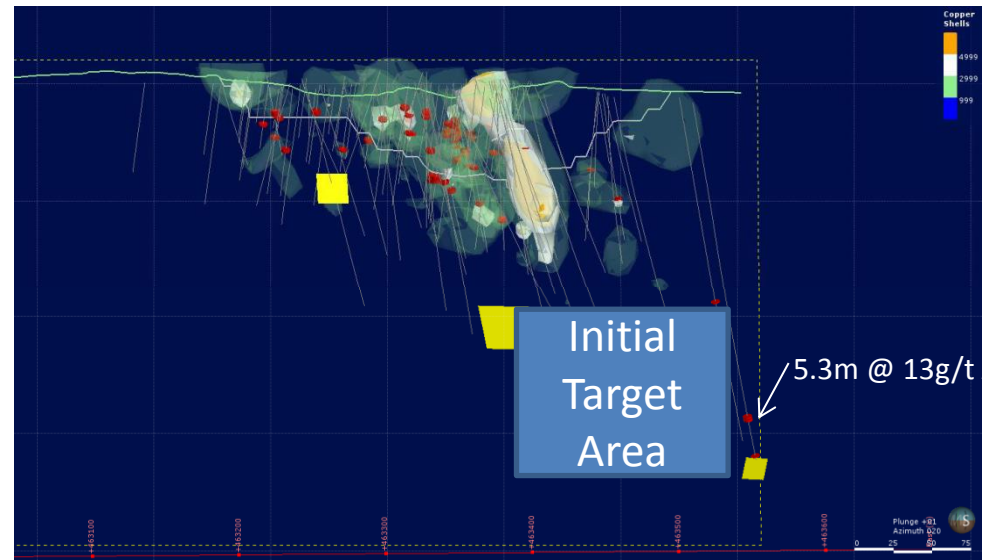


- Drilling intersected 5.3m at 13g/t Au at a depth of 200m
- Survey highlighted 2 strong electromagnetic conductors that represent sulphide targets
- Each target is similar in size to the current resource
- Excellent potential for resource additions at depth
- Significant underground mining potential
- Planning to drill as soon as practicable once Lorena operating.
- MAR retains upside at depth: Once production exceeds:
 - 80,000 equiv. oz of saleable gold – MAR 65% / BCD 35%
 - 120,000 equiv. oz of saleable gold – MAR 75% / BCD 25%



Lorena Gold Project – Underground (Stage 2)

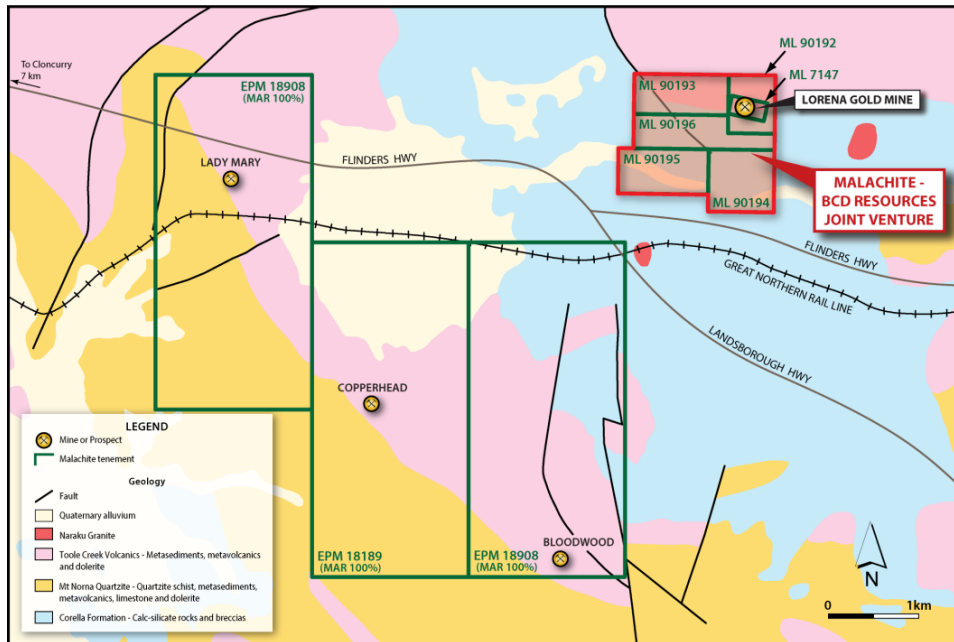
- Planning for initial 10-12 holes to test underground potential
- Portal designed to come off near bottom of pit in competent ground
- Construct back end of the processing plant (cyanide leaching and elution) at Lorena
- Gold dore produced on site
- Reduce operating costs - no transport to Beaconsfield
- Treat low grade material from open cut (2g/t to 4g/t Au) during underground development
- Conventional underground mining
- 5.3m at 13g/t Au at a depth of 200m is a mineable width for underground



Lorena Long Section - Targeting resources at depth
Recent review of data suggests steeper plunge of ore body



Lorena – nearby EPMs



- 100% owned by Malachite
- 7km contact between the Toole Creek Volcanics and the Mt Norna Quartzite.
- Located 5 km south and west of Lorena
- High copper and gold assays from rock chip samples (72g/t Au and 19% Cu) at Lady Mary
- Drill targets generated from soil geochemistry at both Lady Mary and Bloodwood prospects
- 450m strike length target at Lady Mary
- 300m strike length target at Bloodwood



Malachite –2015

- **Concentrate production early 2015 to generate significant cash flow.**
- **Use JV cash flow to drill test Lorena at depth and on surrounding EPMs**
- **Prepare for a potential underground operation at Lorena.**
- **Prepare for stage 2 of process plant.**
- **Finalise gold project opportunities in the Cloncurry region for additional mill feed.**
- **Finalise a new project using cash flow from Lorena.**

