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Announcement ***8 July, 2003***

MALACHITE SECURES NEW COPPER-GOLD-SILVER PROJECT THROUGH BHP BILLITON ALLIANCE

Malachite Resources has secured a promising new exploration project covering a very attractive copper-gold-silver prospect in north Queensland, called Copperfield, located about 150 km west of Townsville. The project is the first to be taken up by Malachite using the AGI Geochemical Database under its strategic alliance with BHP Billiton.

Copperfield has not been drilled previously but rock chip sampling by ACM Gold Ltd. in 1988 defined a highly anomalous, NW-trending fault or shear zone several metres wide and at least 1.5 km long, extending under cover to the northwest and to the southeast. Average assays for 111 rock chip samples collected along this zone were **4% copper, 0.5 g/t gold and 19.5 g/t silver**. The maximum assays recorded for each of these elements (in separate samples) were:

Sample No.	Copper (%)	Gold (g/t)	Silver (g/t)
CF10	45.5	0.65	197
CF14	12.84	0.31	257
44505	7.76	27.39	69

Numerous other samples recorded copper assays in the 5-15% Cu range, while the minimum assays (in separate samples) were of the order of 0.03% Cu, 0.01 g/t Au and <1 g/t Ag. The high copper values may represent near-surface oxidation and enrichment and there does not appear to be a strong correlation between high copper values and high values of gold and silver. This also may reflect secondary mobilisation and enrichment of copper. Silver, on the other hand, may have been leached near surface.

The mineralised structure lies within a broad (1.8 x 1.5 km) copper-in-soil anomaly, defined in work conducted by BHP in 1983. The soil anomaly is coincident with aeromagnetic and radiometric anomalies, suggesting a larger, intrusive-related mineralised system may be present. NW-trending, parallel structures, probably under shallow cover, are also recognisable in the aeromagnetics.

The Company has lodged an application for an exploration tenement covering the Copperfield Prospect and surrounding area, which was open ground at the time.

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Malachite plans to drill the mineralised structure already identified at Copperfield as soon as possible after grant of title. It will also assess the apparent repetitions recognisable in the aeromagnetics, as well as the more regional, larger scale potential, with geophysics, bedrock geochemistry and drilling at a later date.

Managing Director, Garry Lowder commented:

"This application is the first material outcome of our work with the AGI Geochemical Database, a superb project generation and research resource that we have access to under our alliance with BHP Billiton."

The AGI Database, originally compiled by BHP Minerals, contains assays of stream sediment and soil samples collected by various parties throughout much of Australia. Under its strategic alliance with the BHP Billiton Group, Malachite has exclusive access to the eastern Australia part of the AGI Database, containing more than 1 million samples, assayed and located. Additional layers of information, such as aeromagnetics and gravity, are made available by BHP Billiton once target regions are identified by Malachite.

Dr Lowder added:

"We found Copperfield buried in the AGI data and confirmed its potential with additional information supplied by BHP Billiton. We were pleasantly surprised to discover that the ground was open, as it looks very exciting on fundamentals and fits neatly into our business plan. What's more, ongoing research with the AGI data has identified similarly attractive targets elsewhere in eastern Australia, with another project or two for Malachite already in the pipeline."

For further information please contact Garry Lowder on (02) 9415 6833 or by email at glowder@malachite.com.au.

G.G. LOWDER
Managing Director