

MALACHITE RESOURCES NL

From Successful Explorer to Emerging Miner in 2007

THE CONRAD SILVER MINE



Malachite Resources is a diversified Australian junior mining company with an exciting silver project that is set to become a “company-maker” new mine

**Dr Garry Lowder
Chairman & Managing Director
June 2007**

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Malachite: The Company

Our objective:

Create shareholder wealth by discovery and development of gold, silver and base metal deposits in eastern Australia

Our main assets:

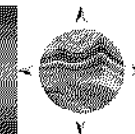
- Silver – the Conrad Silver Project in northern New South Wales (“NSW”)
- Gold – the Tooloom Gold Project in northeastern NSW
- Copper – high grade lodes in the Mt Isa region of Queensland
- Tin – hard rock and alluvial tin deposits in northern NSW

Our strategy:

Identify large scale projects for joint venture and eventual mining with a major company as partner – e.g. Tooloom, Conrad

Grow organically through development of a smaller mine – e.g. tin / tungsten at Elsmore or copper at Mt Lidster

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Malachite: The Company

CAPITAL STRUCTURE

Shares: 100 million

Options: Aug. '08, 20c: 32 million

Market Cap: \$US33M

1160 shareholders

Top 20 hold 43%

Directors & staff hold 8%

Liquidity: \$US2.2 million

KEY SHAREHOLDERS

Straits Resources Ltd.	6%
Ledesa Pty. Ltd.	5%
Tooloom Gold Pty. Ltd.	2%
Macmin Silver Ltd.	1.5%

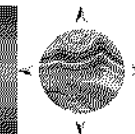
Auditors

PricewaterhouseCoopers

Lawyers

Hopkins / Gadens

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Malachite: The Company



New Conrad
drilling results
released to ASX

Market begins to
recognise potential
of Conrad Silver
Project

Listed on Australian Stock Exchange ("ASX") in November, 2002
ASX Code: MAR

Also listed in Germany – Frankfurt Code: MUW.F

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Malachite: The People

BOARD

Chairman & Managing Director:

Garry Lowder

Executive Director & Exploration Manager:

Russell Meares

Non-Executive Directors:

Roy Randall, BCom, LLB – senior resources lawyer

Warren Staude, MSc, MAusIMM – fund manager & analyst

Denis O'Neill, BSc – geologist and CEO of Macmin Silver Ltd.

STAFF:

5 geologists + technical & administration staff

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Malachite: The People

KEY EXECUTIVES

Garry Lowder, PhD, BSc (Hons), FAusIMM, MAICD

Geologist with 40 years experience across Australia, Indonesia and Papua New Guinea. High level management expertise in both private and public sector. Former Director General of Mines in NSW. Credited with key roles in several major ore deposit discoveries.

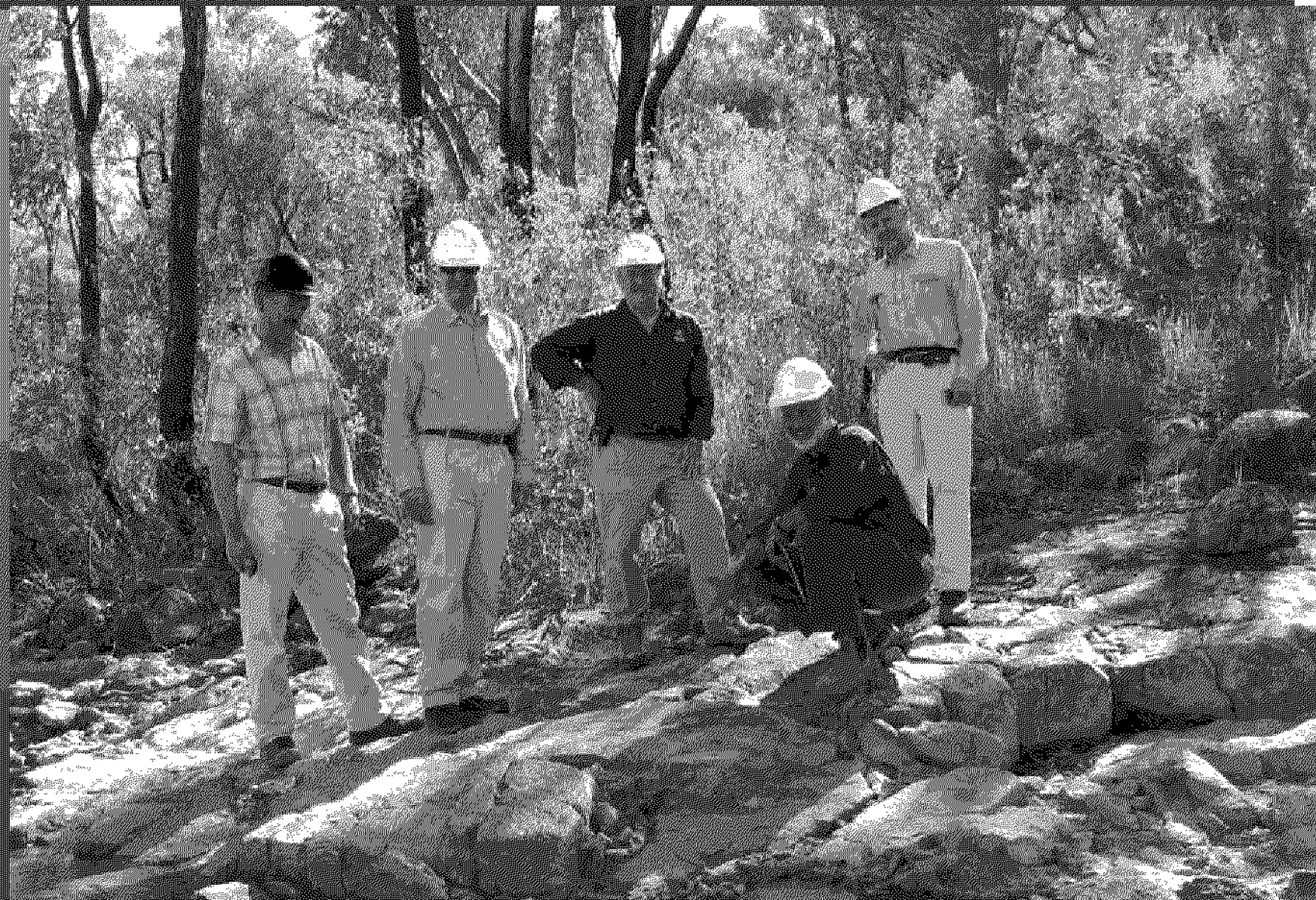
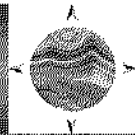
Graduate of Univ. of Sydney (BSC Hons), Univ. of California, Berkeley (PhD) and Advanced Management Program at the Harvard Business School.

Russell Meares, MSc, FAusIMM, MAIG, GAICD

Geologist with 35 years experience in mineral exploration and mining in Australia, Asia and the SW Pacific. Key roles in several ore deposit discoveries in Australia, Papua New Guinea and Fiji.

Graduate of Univ. of NSW (BSc Hons), James Cook Univ. (MSc) and Company Directors Course of AICD.

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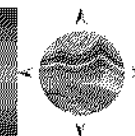
The Malachite Board: Messrs O'Neill, Randall, Lowder, Meares & Staude

CONRAD SILVER PROJECT

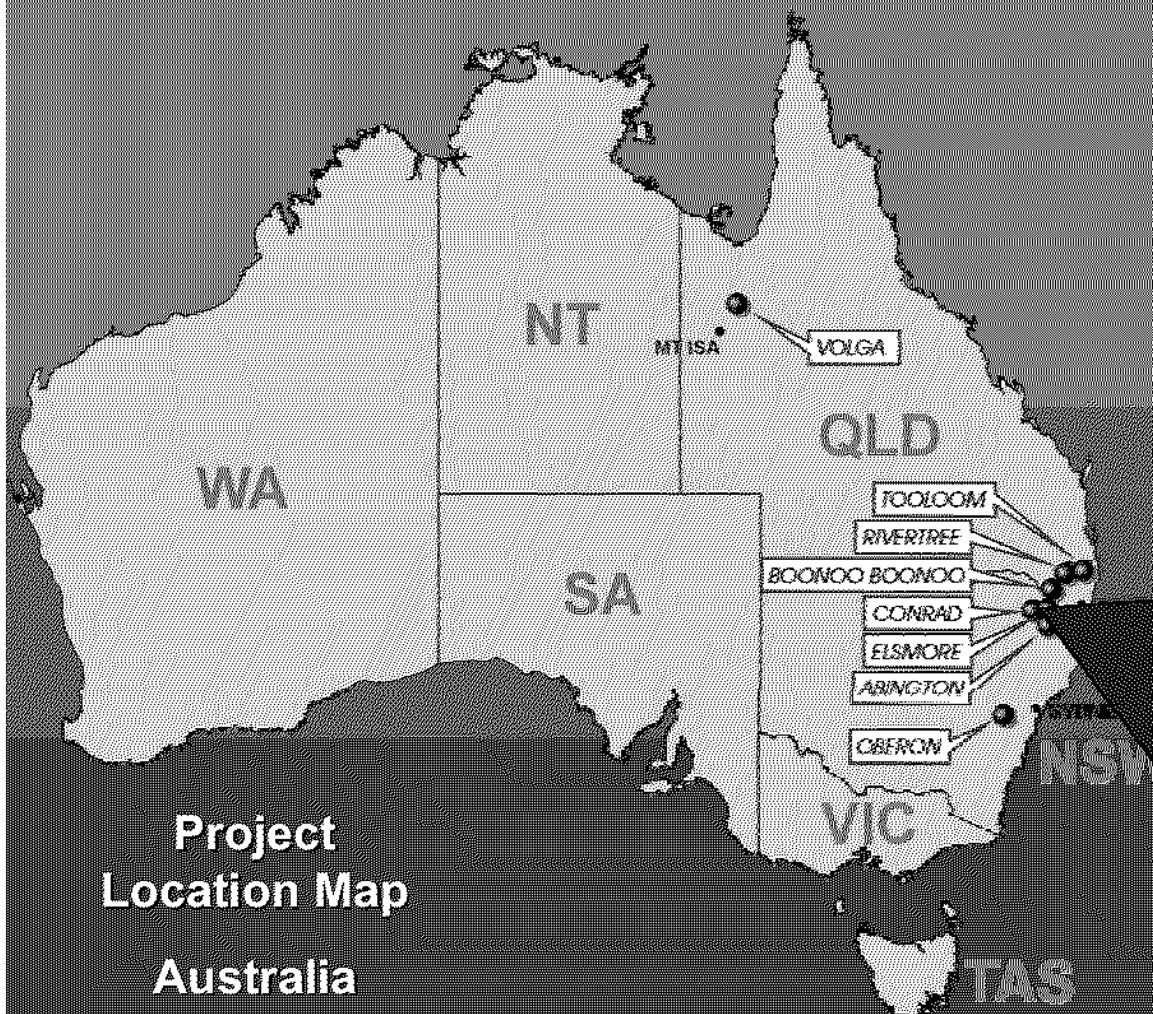


A new dawn for an old mine

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Conrad is Malachite's Key Project

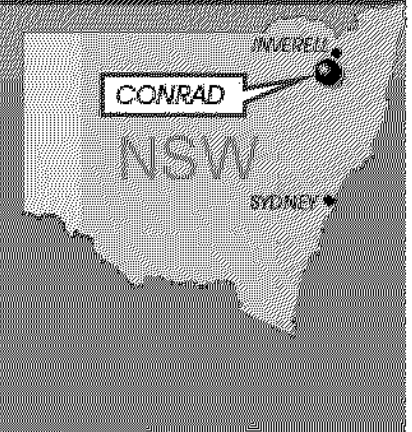


Project
Location Map
Australia

CONRAD

- Historic silver mine
- Co-product copper, lead, zinc and tin
- Ceased mining in 1957
- 100% Malachite
- Established infrastructure
- Currently drilling to delineate resources
- Targeting 50Moz of silver equivalent for project start up

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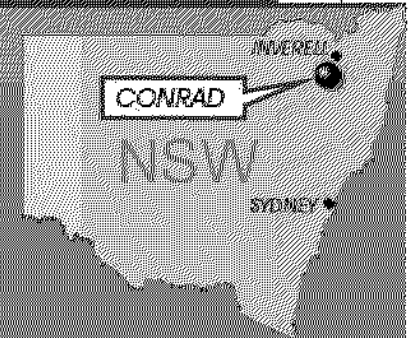


Malachite: Conrad Silver Project

- Malachite has made a very significant discovery of high grade silver at the Conrad Silver Project
- The silver is accompanied by copper, lead, zinc and tin
- About one third of total metal value is due to silver
- The company is currently drilling to delineate resources
- We envisage fast-tracking the project in 2008 with reserve drilling and project scoping studies
- This will be followed by feasibility and development
- Malachite holds 100% interest in mining leases at Conrad and surrounding exploration area, covering 170km²

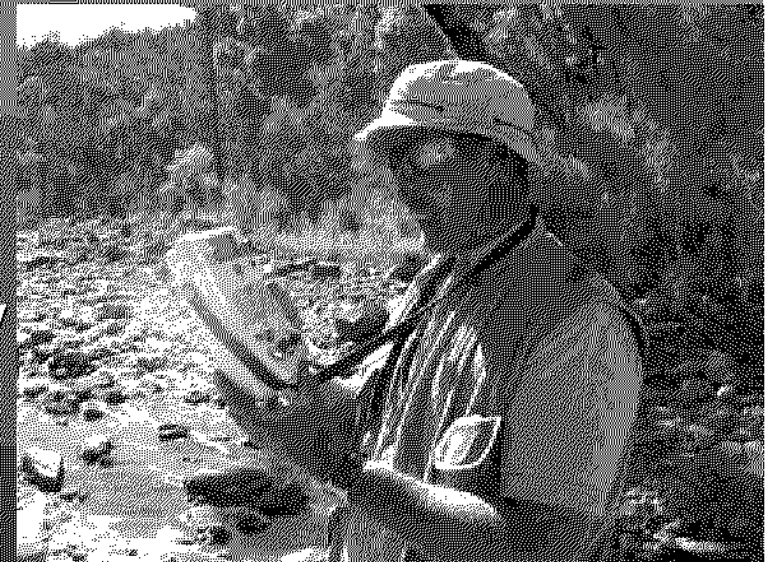


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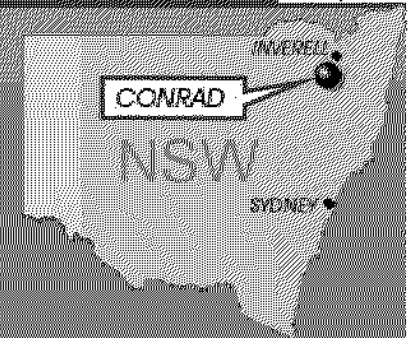


Malachite: Conrad Silver Mine

- Largest historic producer of silver in the region
- Very high grade, narrow ore zones in previous mining
- Average historic grade = 600g/t (20oz/t) silver, 1.5% copper, 8% lead, 4% zinc and **1.5% tin** (or more than 2,000 g/t silver equivalent)
- This is very valuable ore ... over \$US900/t in contained metal value today
- Historic production = 3Moz silver (or 10Moz silver equivalent)
- Two main mines with four main shafts along 1.5km of lode
- Additional targets in parallel structures nearby



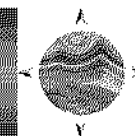
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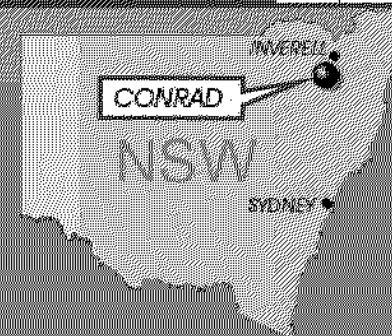
Malachite: Conrad Silver Mine

- Malachite drilling has intersected silver grades up to 1,400g/t Ag
- And silver equivalent grades up to 4,000g/t Ag_{EQ}
- Two types of ore are recognised in recent drilling:
 - 1: **MAIN ORE TYPE:** High grade, narrow lodes, like those mined in the past; and
 - 2: **GREISEN ORE TYPE:** Disseminated, bulk tonnage style mineralisation:
 - 30 to 40 m wide
 - With grades of 30-50g/t Ag
 - Or 100-200g/t Ag_{EQ}
 - Could represent source of low cost ore for early mine life
 - Either open pit or bulk underground mining

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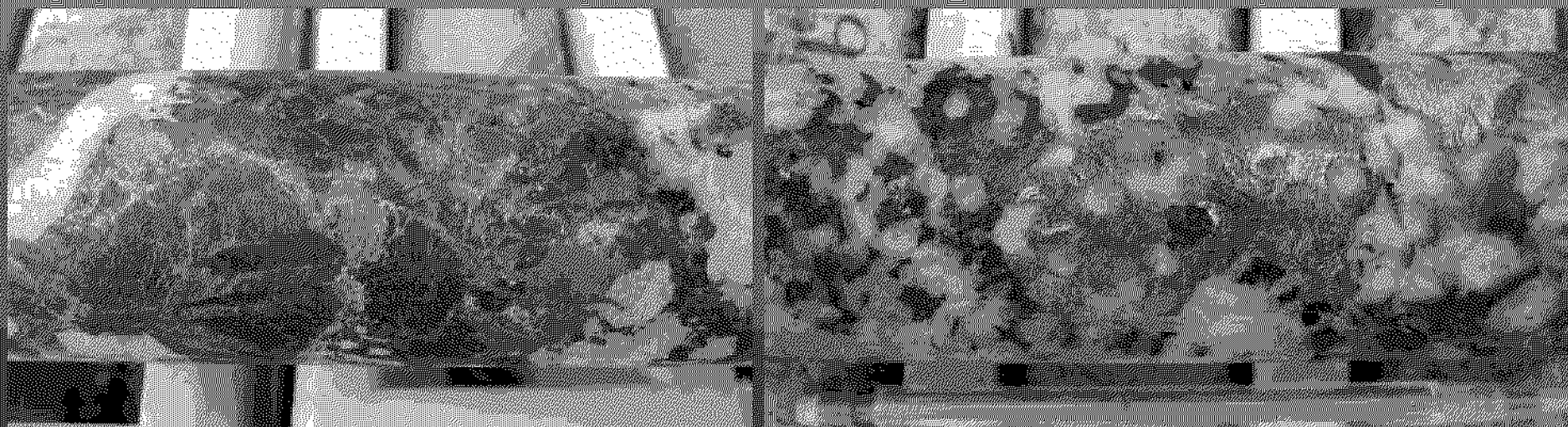
Malachite: Conrad Silver Mine



MAIN ORE TYPE:

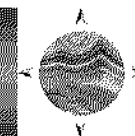
High grade lodes, like those mined in the past:

0.6 to 1.5m wide with grades of 300 to 1,400g/t Ag or 1,000 to 4,000g/t Ag_{EQ}

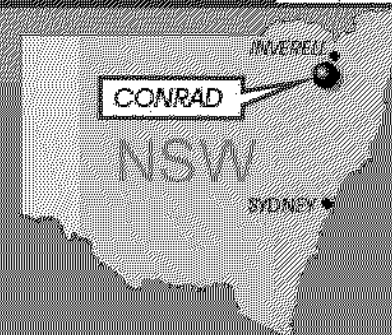


Examples of high grade ore in lodes at Conrad

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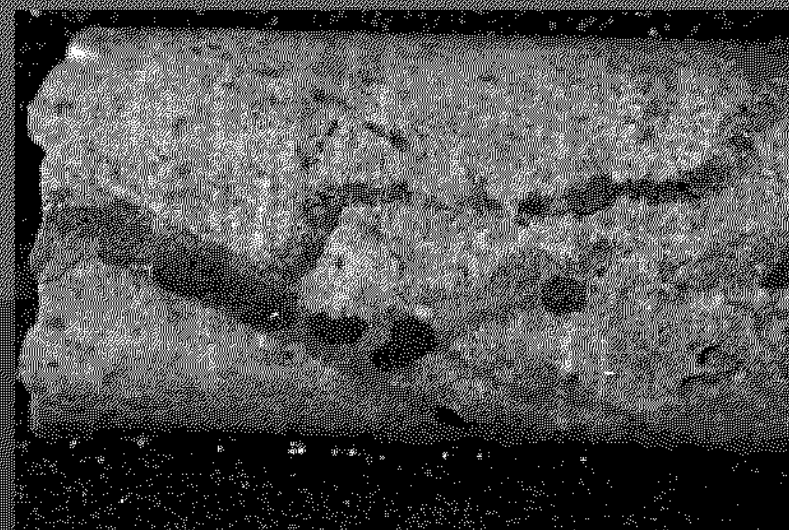
Malachite: Conrad Silver Mine



MAIN ORE TYPE:

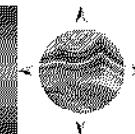
High grade lodes also have a lower grade mineralised envelope 1 to 2m wide

Thus ... potential mining widths of 2 to 3m,
with grades of 100 to 200g/t Ag or 300 to 600g/t Ag_{EQ}

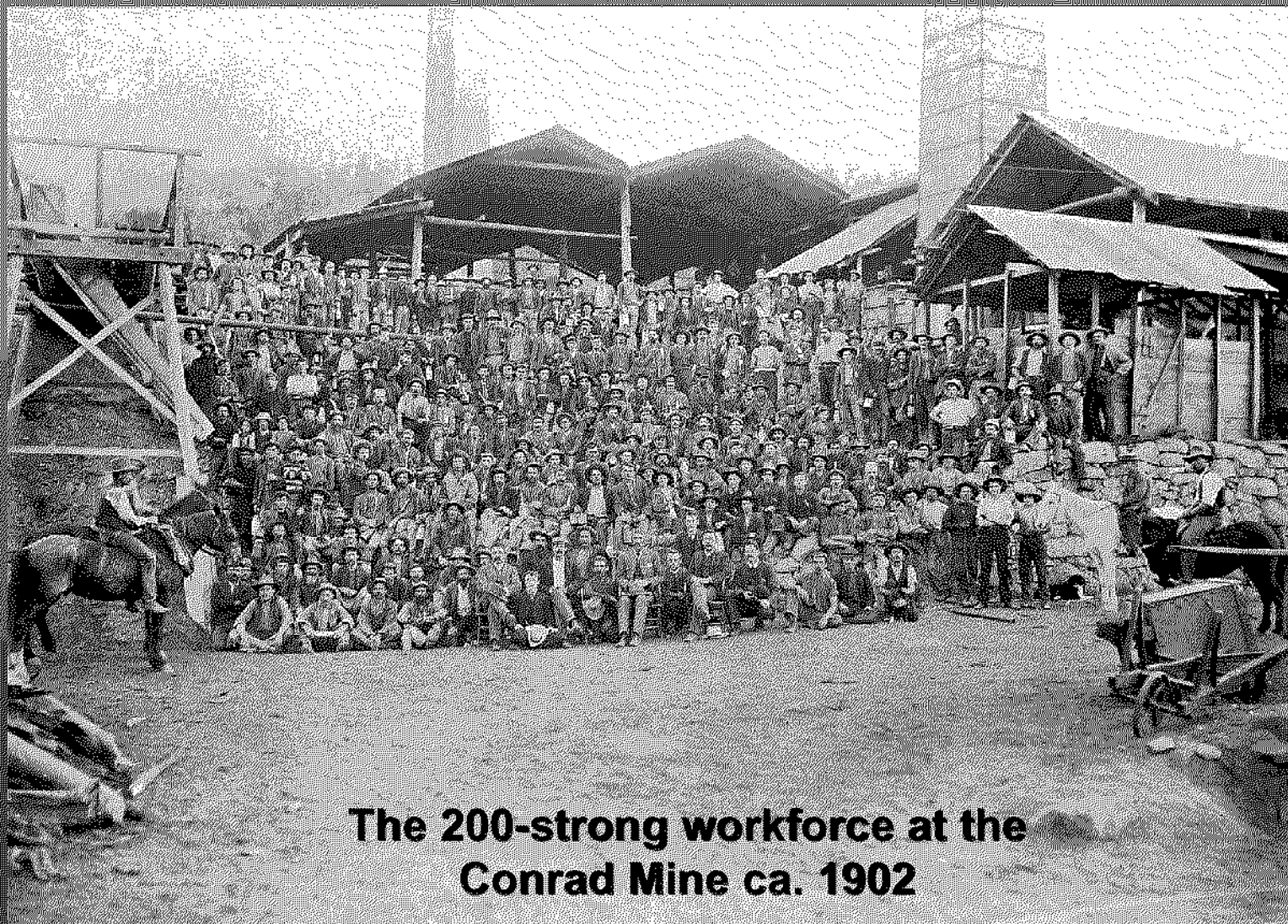


Examples of lower grade mineralised envelope to lodes at Conrad

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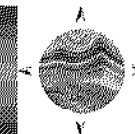


Malachite: Conrad Silver Mine



**The 200-strong workforce at the
Conrad Mine ca. 1902**

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Malachite: Conrad Silver Mine



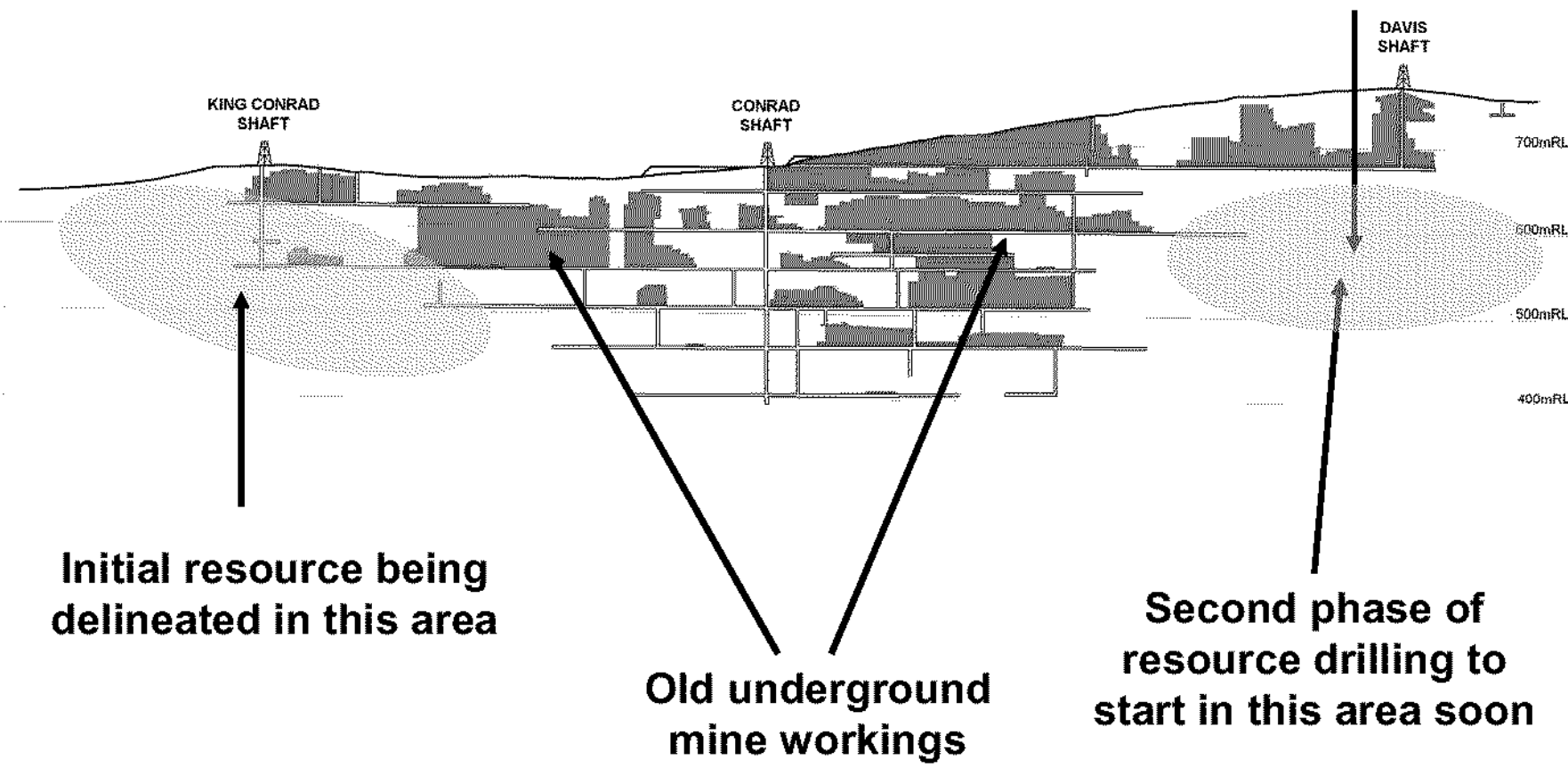
The Conrad mine in 1957

NW

CONRAD SILVER MINE

SE

Early reconnaissance
drilling intersected lode
up to 4m wide near
Davis shaft



Initial resource being
delineated in this area

Old underground
mine workings

Second phase of
resource drilling to
start in this area soon

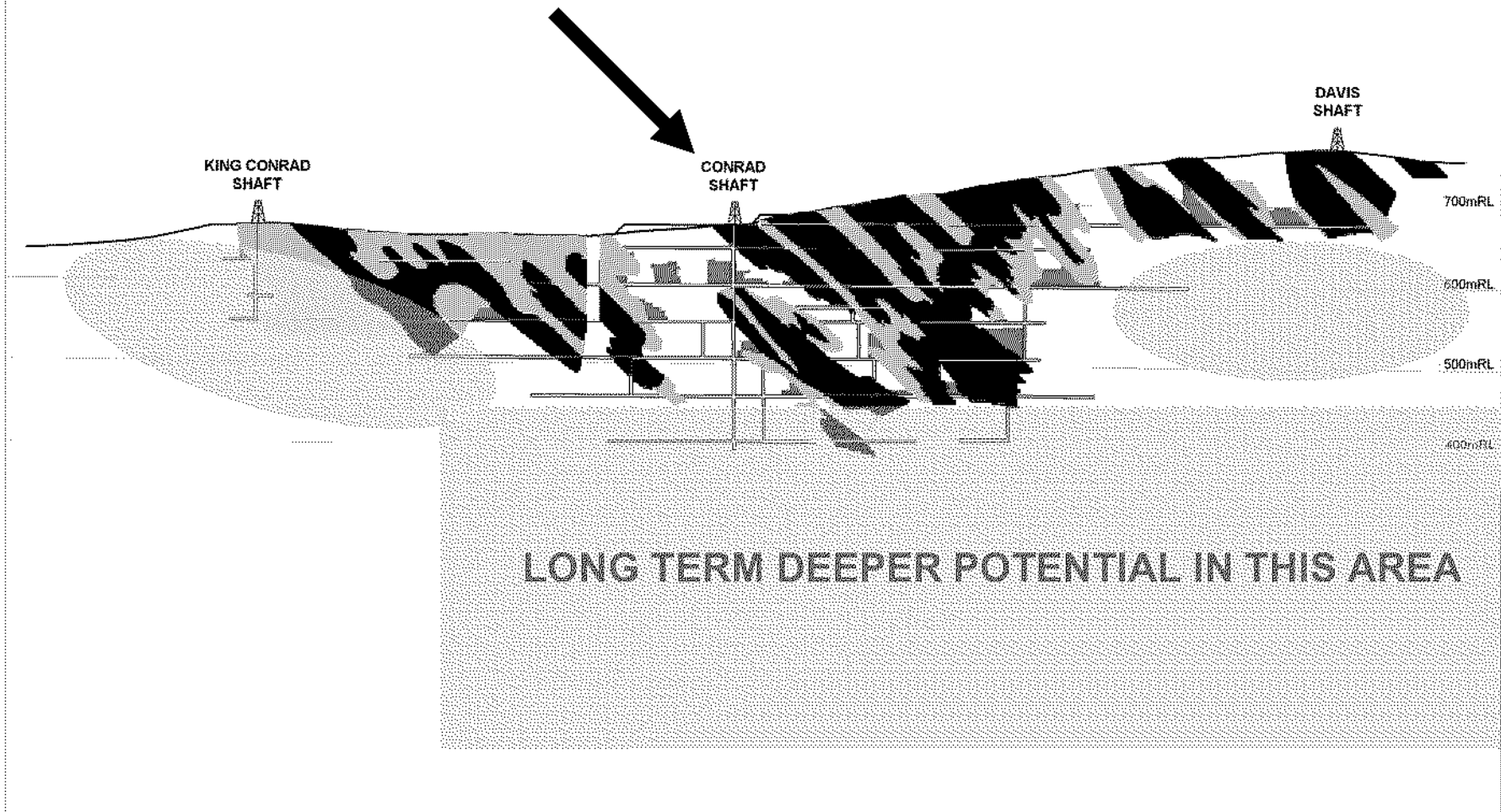
1.5km

NW

CONRAD SILVER MINE

SE

High grade (black) and medium grade (grey) ore shoots defined by underground sampling in the 1950s



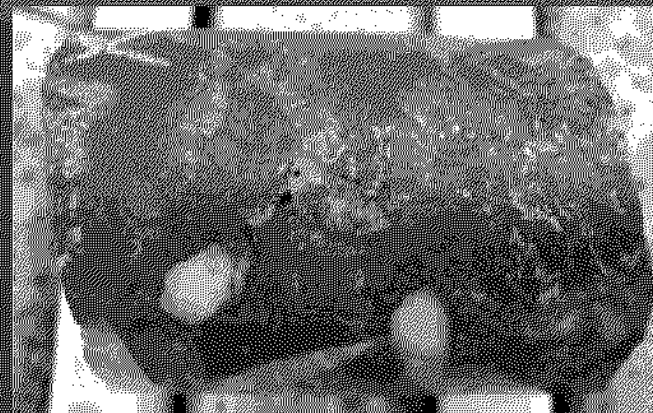
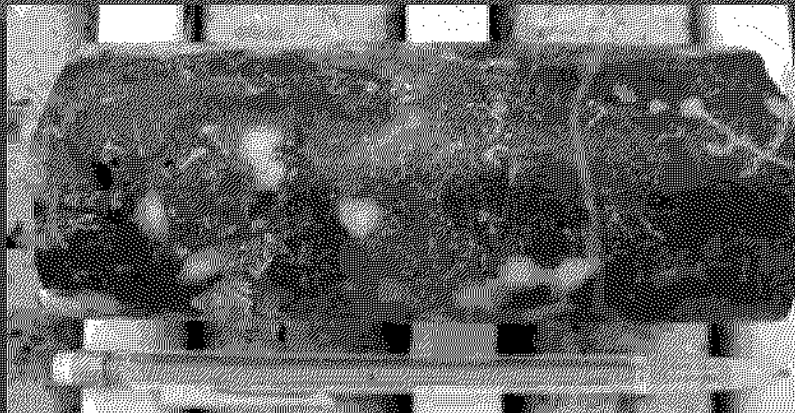
1.5km



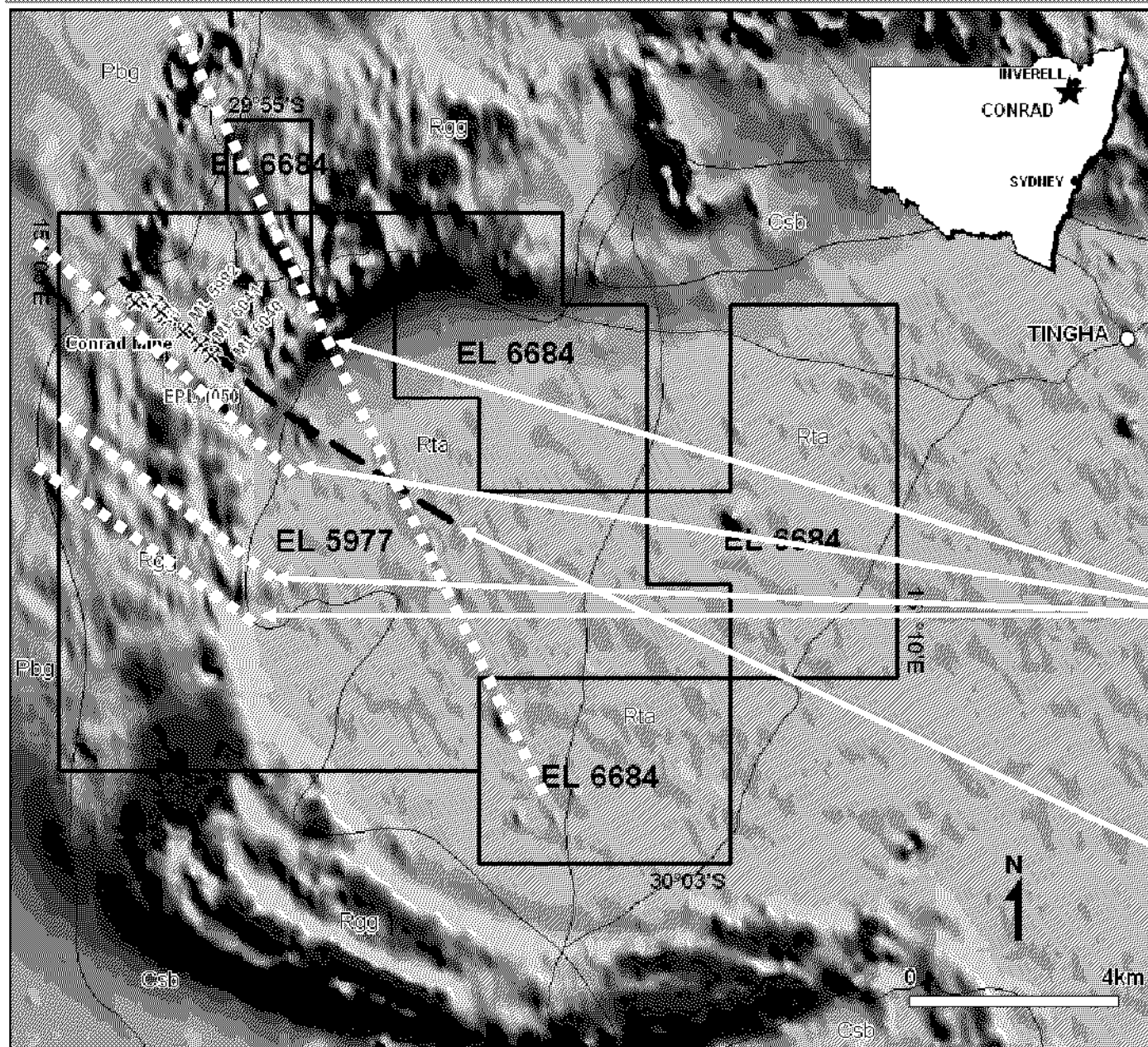
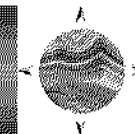
The Conrad Silver Mine

Conrad ore also contains significant amounts of indium

- Indium is a rare metal used in plasma / LCD screens, in solar panels and other electronics
- Demand >> supply: in 2003 indium price was \$60/kg; today the price is >\$1,000/kg [Cf. silver price of \$400/kg; i.e. 1g/t In = 2.5g/t Ag]
- Highest indium assay at Conrad so far is 136g/t In
- Indium values correlate very highly with zinc (correlation coefficient = 0.95)
- Recovery of indium into zinc concentrate could thus be a major bonus for the project



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Aeromagnetic image of the Conrad Silver Project, showing Conrad main lode and possible nearby repetitions

Other mineralised structures

Conrad main lode structure

WALCHITE'S OTHER KEY PROJECTS



GOLD:

The Phoenix discovery at the Tooloom Gold Project



COPPER:

The Volga Copper Project



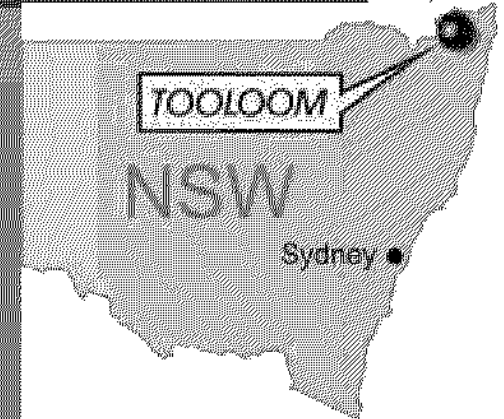
TIN:

The Elsmore Tin / Tungsten Project

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The Tooloom Gold Project

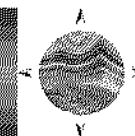
**TOOLOOM IS A MAJOR HISTORIC
GOLD FIELD REDISCOVERED BY
MALACHITE**



- 550km² tenement area
- 100% owned by MAR
- Several large gold-bearing systems
- Numerous smaller prospects
- Coarse grained free gold in many places
- Analogous with gold deposits of Alaska / Yukon



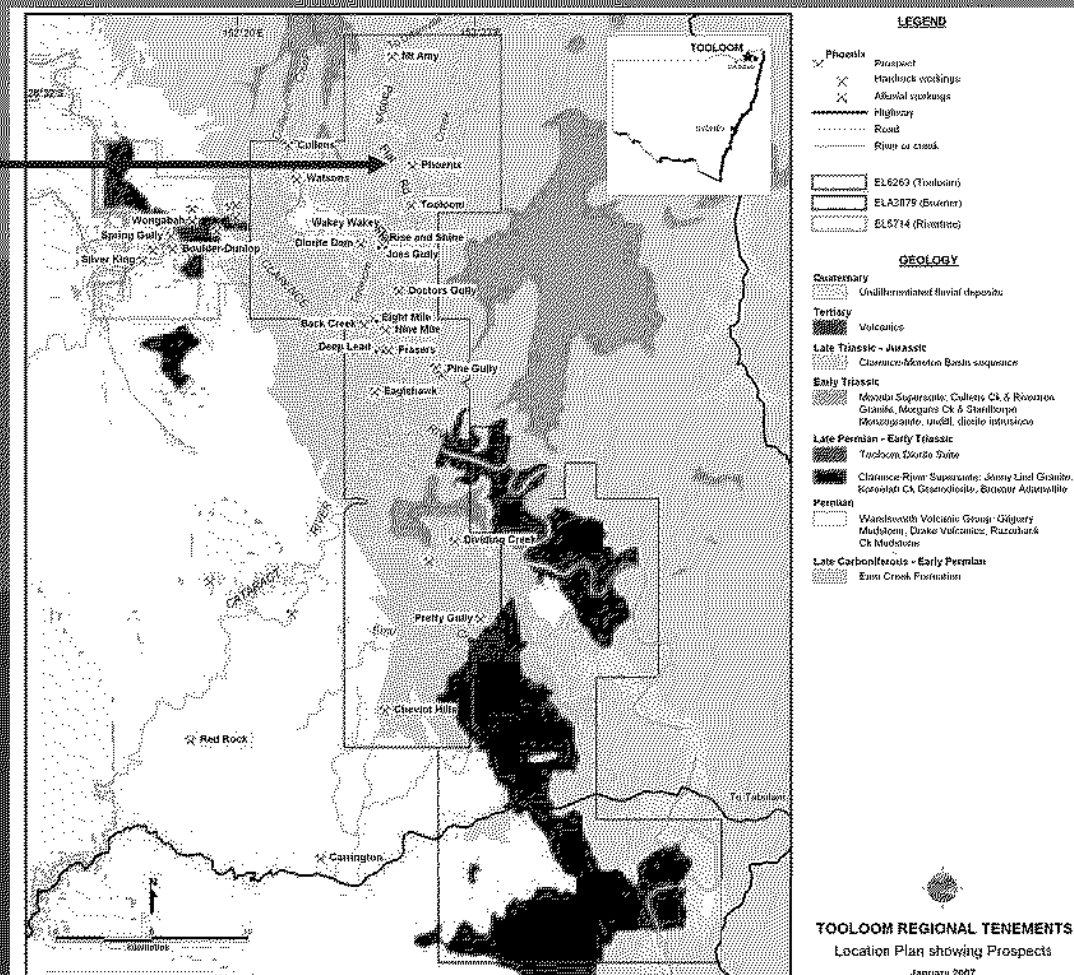
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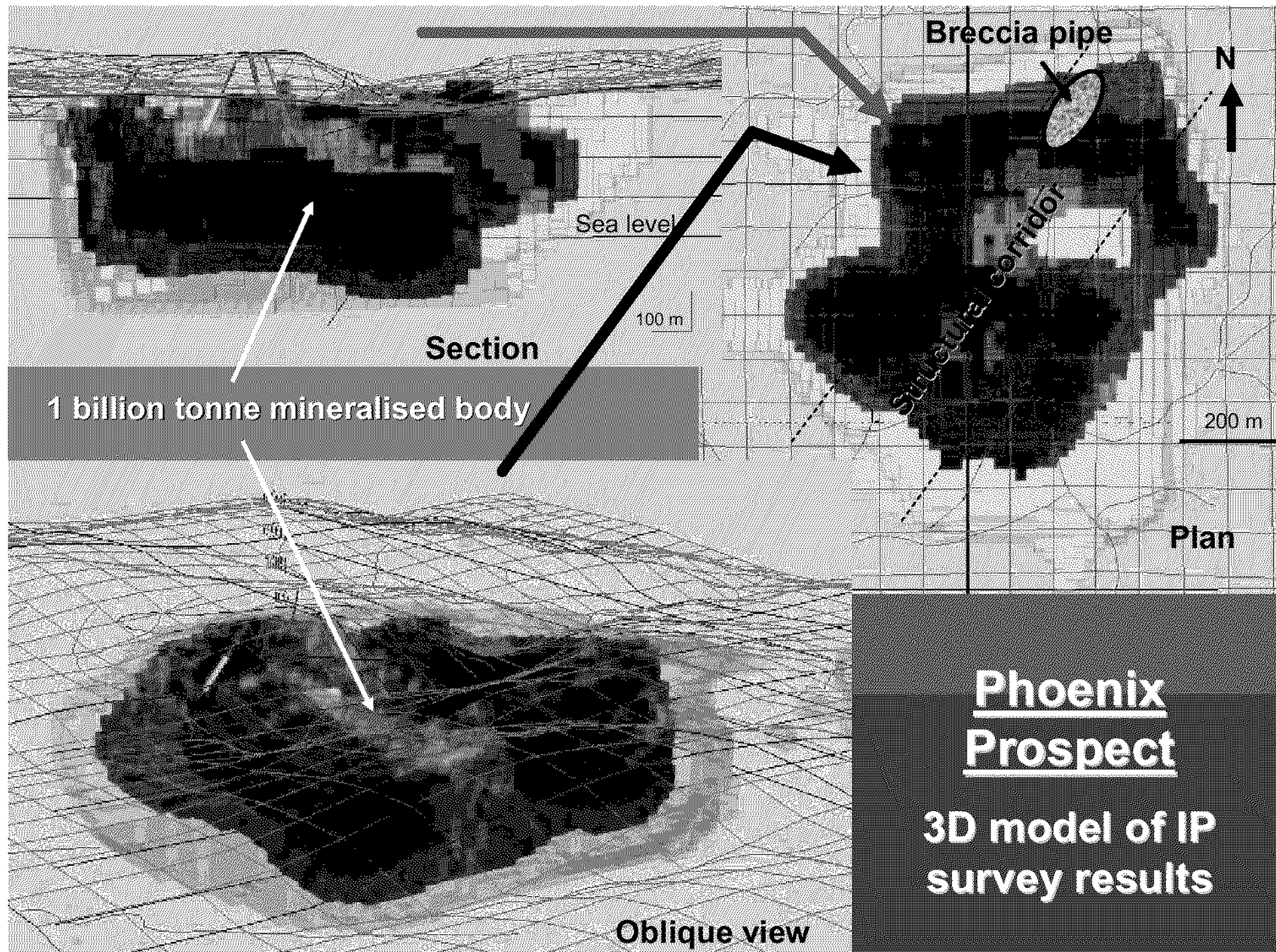


The Tooloom Region

PHOENIX IS A “GREEN FIELDS” DISCOVERY MADE BY MALACHITE

- Main target: a new discovery called Phoenix
- > 1 billion tonne mineralised body
- Best grades to date are in a breccia pipe
- Limited drilling elsewhere at Phoenix
- Targeting structures and pipes within the Phoenix mega-system



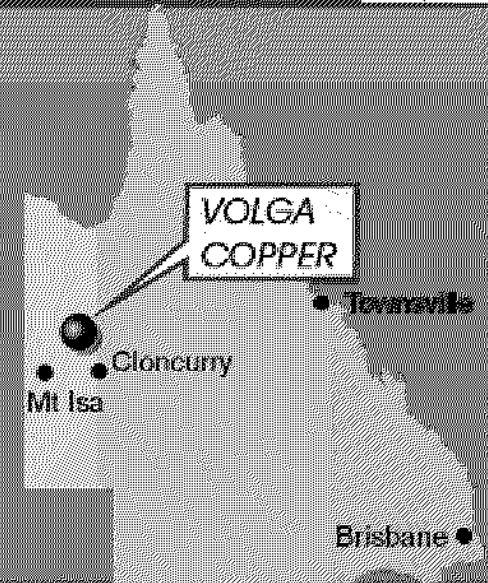


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VOLGA COPPER PROJECT

Malachite is becoming a significant
new player in the world class
Mount Isa Copper Province



VOLGA COPPER PROJECT

Malachite can earn a
50% interest by
spending \$A3 million
on exploration over
three years

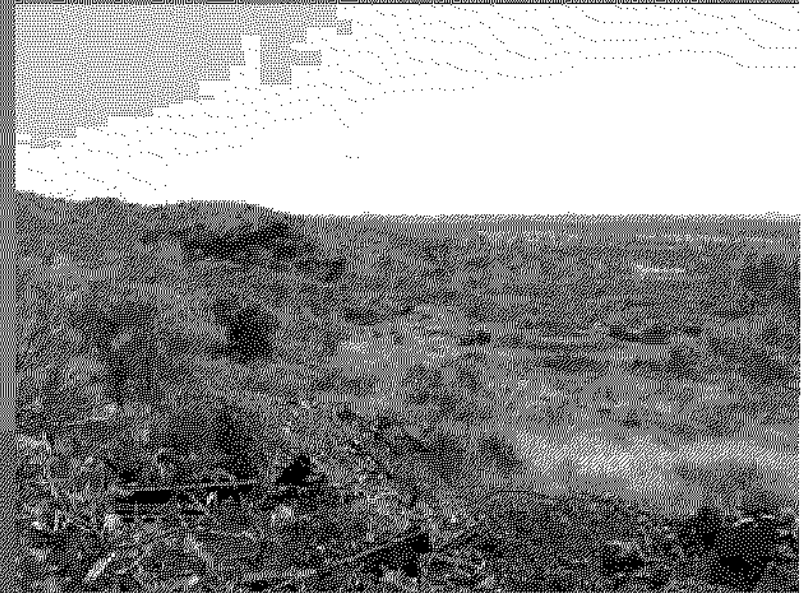


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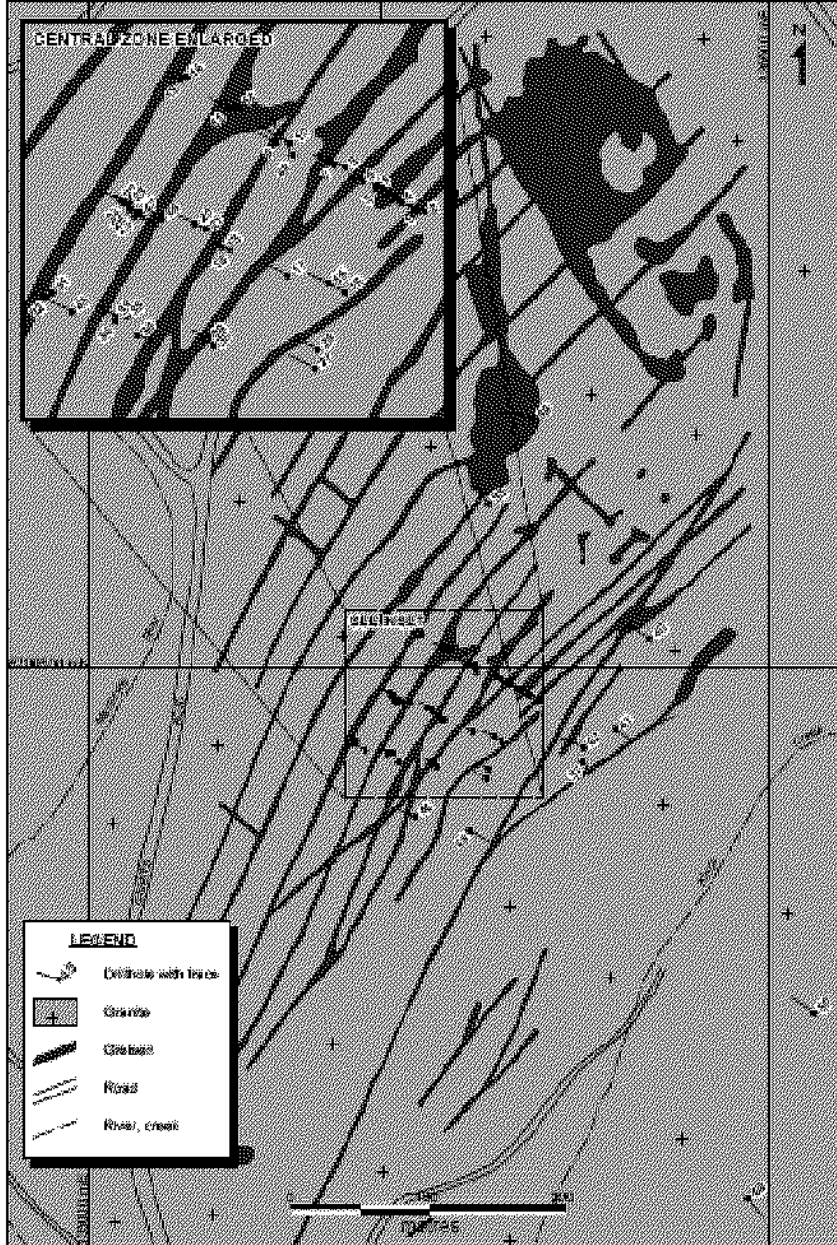


VOLGA COPPER PROJECT

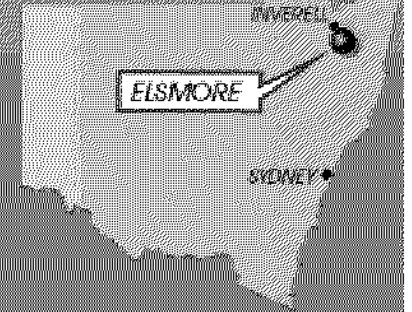
- Numerous copper prospects
- Multiple high grade lodes
- Iron-oxide copper-gold ("IOCG") affinity
- Cf. Ernest Henry deposit:
(167Mt @ 1.1% Cu + 0.5g/t Au)
- Initial drilling at the Volga prospect:
VEDD01: 13.8m @ 2.9% Cu + 0.5g/t Au,
including 2.5m @ 11.9% Cu + 1.9g/t Au
- First Malachite drilling due to take place
in September 2007



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ELSMORE PROJECT SHEEP STATION HILL PROSPECT



- Multiple veins containing tin and tungsten
- Strong nugget effect due to coarse grain size
- Locally very high grade:
7.18% Sn and 4.0% WO₃
- Bulk sampling recently completed to assess ore grade more reliably
- Potential for small open pit mine with simple gravity processing
- Low technology, low cost, low risk

FIGURE 1: GEOLOGICAL MAP OF THE SHEEP STATION HILL PROSPECT, SHOWING GREISEN VEINS AND DRILL HOLE LOCATIONS

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Coarse grained wolframite (tungsten ore)
in greisen from Sheep Station Hill

TIN AND TUNGSTEN AT ELSMORE



Cassiterite crystals (tin
ore) in greisen host

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LOOKING AHEAD FOR MALACHITE

Conrad Silver:

Detailed drilling to outline a silver-rich, polymetallic resource, targeting 20Moz silver or 50Moz silver equivalent by end of 2007

Move on to pre-development / scoping studies in 2008

Tooloom Gold:

Further exploration at Phoenix to extend known discovery and to test new targets elsewhere, ready for further drilling in 2008

Volga Copper:

Drilling at Volga Prospect in September 2007 to test high grade copper lodes and assess potential for large Iron-Oxide Copper-Gold deposits

Elsmore Tin:

Assessing viability of small scale open pit mining of tin / tungsten



THE FUTURE

Malachite has been very successful as an explorer in eastern Australia, with more good results to come:

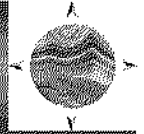
- ❖ **Silver at Conrad: a “treasure trove” of metals and a “company-maker” for Malachite**
- ❖ **Gold at Tooloom: 100% control of an entire gold field**
- ❖ **Copper at Volga: to become a key exploration project in 2008**
- ❖ **Tin at Elsmore: short term cash flow opportunity**

Based on that success, 2007 will see us move

“FROM SUCCESSFUL EXPLORER ...

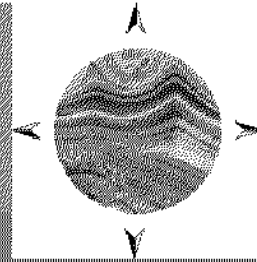
...TO EMERGING MINER”

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COMPETENT PERSON STATEMENT

The information in this report that relates to Exploration Results is based on information compiled by Dr Garry Lowder, who is a Fellow of the Australasian Institute of Mining and Metallurgy. Dr Lowder has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.' Dr Lowder consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.



MALACHITE RESOURCES NL

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