



19th August 2014 – ASX Announcement

OUTSTANDING GRAPHITE RESULTS FROM MANIRY PROJECT

***Multiple high-grade outcropping graphite horizons defined by mapping and sampling
100% owned Maniry Project – Southern Madagascar***

HIGHLIGHTS

- A program of detailed mapping and systematic rock chip sampling (111 samples) has identified multiple, extensive zones of high-grade graphite mineralisation at Malagasy Minerals 100% owned Maniry Graphite Project, Southern Madagascar;
 - Exploration to date (work continuing) has defined at least 22 large-scale zones of prominently outcropping graphite mineralisation over an area of 5km x 2.5km. Previous reconnaissance results lead to the expectation that the ongoing evaluation will define additional large zones of graphite;
 - Individual lenses have strike extensions of up to 1.8km and can attain widths of up to 350m.
 - The recent sampling program has returned results up to 22.4%C whilst previous sampling has returned values as high as 50.78%C;
 - Field assessment of the graphite flake size has highlighted it is generally of coarse nature. Previously completed petrological analysis of selected samples has confirmed the high quality nature of the graphite. The graphite flake size is generally >0.7mm with some material as coarse as several millimetres. The graphite is largely free from inclusions of other minerals;
 - Results of metallurgical test work on samples that have been submitted to fully determine the key characteristics of the graphite mineralisation are awaited; and
 - A diamond drilling program is currently being planned to test a number of the larger zones. The program is expected to commence in early-September 2014.
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BACKGROUND

Malagasy Minerals Ltd (ASX Code: MGY / “Malagasy”) has established a large exploration project in Southern Madagascar (Figure 1.) that is prospective for both mafic-ultramafic intrusive related magmatic nickel-copper-platinum group metals (PGM) deposits and high-grade, high-quality graphite deposits.

The graphite prospectivity of the region has been established by the discovery of the large, high-quality Molo Graphite Deposit by Energizer Resources Inc. (“Energizer”). Malagasy announced (27th March 2014) that it had finalized the sale of the company’s 25% interest in the project in order to crystallise significant value and to increase its focus on the company’s highly prospective 100% owned ground. The transaction is set to deliver a low-risk immediate return to Malagasy in the form of initial cash and share payments, whilst maintaining leveraged exposure through future benchmark cash and share payments.

Malagasy has been working to a strategy to define the potential of the 100% held ground to host additional high-grade graphite deposits that would have the potential to either enhance, or be enhanced by, the development of the Molo Graphite Deposit by Energizer. Malagasy is targeting a high-grade resource base with a particular focus on identifying near surface, low mining cost deposits that can be assessed quickly and at modest cost, potentially working off the benefits of the Molo development.

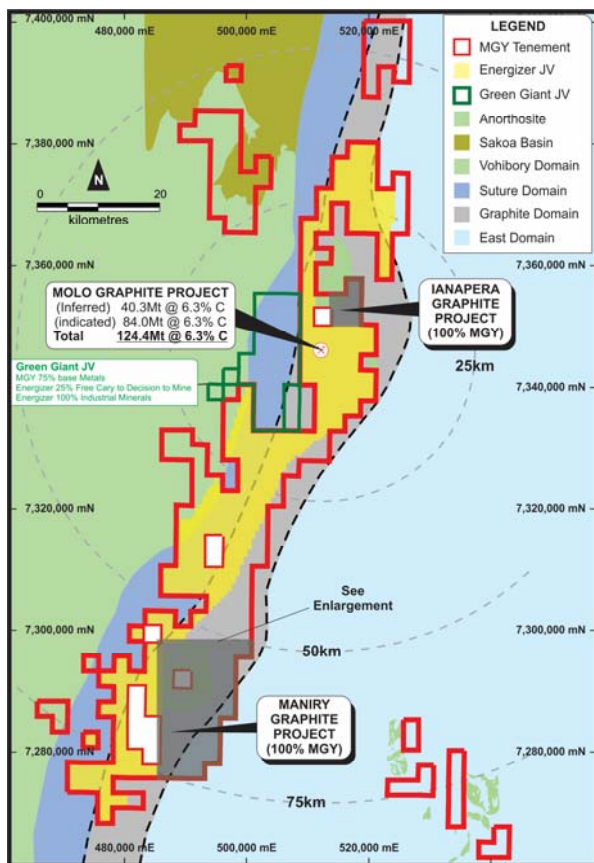


Figure (1) – Regional Location Plan

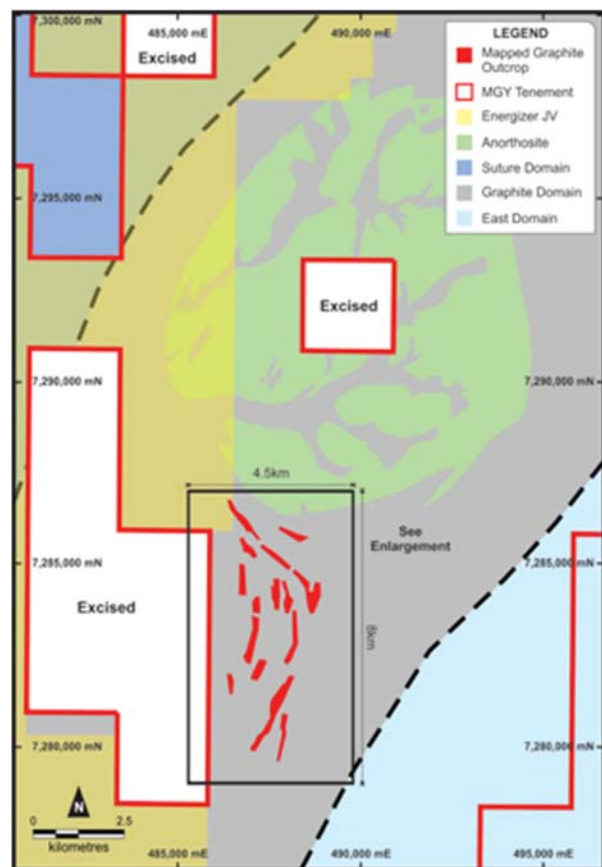


Figure (2) – Maniry Project Overview Plan

KEY RESULTS

Graphite exploration has now been ongoing for 12 months at the Maniry Project. Malagasy Minerals has previously reported results to the ASX on the 6th August 2013, 21st November 2013 and 13 June 2014. Malagasy believes these results now establish the Maniry Project as a **“large-scale, world-class graphite province”**.

The Maniry Project has now reached an advanced stage of exploration and is in a position to be drill tested in order to confirm the size, grade and quality of the mineralisation. This drilling program is aimed at defining areas that have the potential to host higher-grade zones that can then be focused on to define an initial resource. The key understandings to date include:

- The high-grade graphite mineralisation occurs as defined layers and disseminations hosted by Proterozoic aged gneissic rocks. The Maniry Project area has been upgraded and structurally thickened due to folding on the margin of a large anorthosite intrusion;
- Exploration to date has defined at least 22 large-scale zones of prominently outcropping graphite mineralisation over an estimated area of 5km x 2.5km. The individual lenses within this area have strike extensions of up to 1.8km and can attain widths of up to 350m (Figure 3);
- Sampling of the mineralisation indicates consistent grades with low variability and the potential for areas of very high-grade mineralisation (peak result 50.78%C). A total of 450 samples have now been taken across the Maniry Project area. The grade characteristics of the samples are demonstrated in the following tabulation (A full summary of sampling results is provided in Appendix 1);

Total samples	N = 450			
	%	Samples	Cumulative %	Cumulative Samples
>20%C	3%	(n = 14)	3%	14
12-20%C	12%	(n = 54)	15%	68
10-12%C	12%	(n = 53)	27%	121
8-10%C	21%	(n = 95)	48%	216
5-8%C	35%	(n = 156)	83%	372
Peak Result	50.78%C			

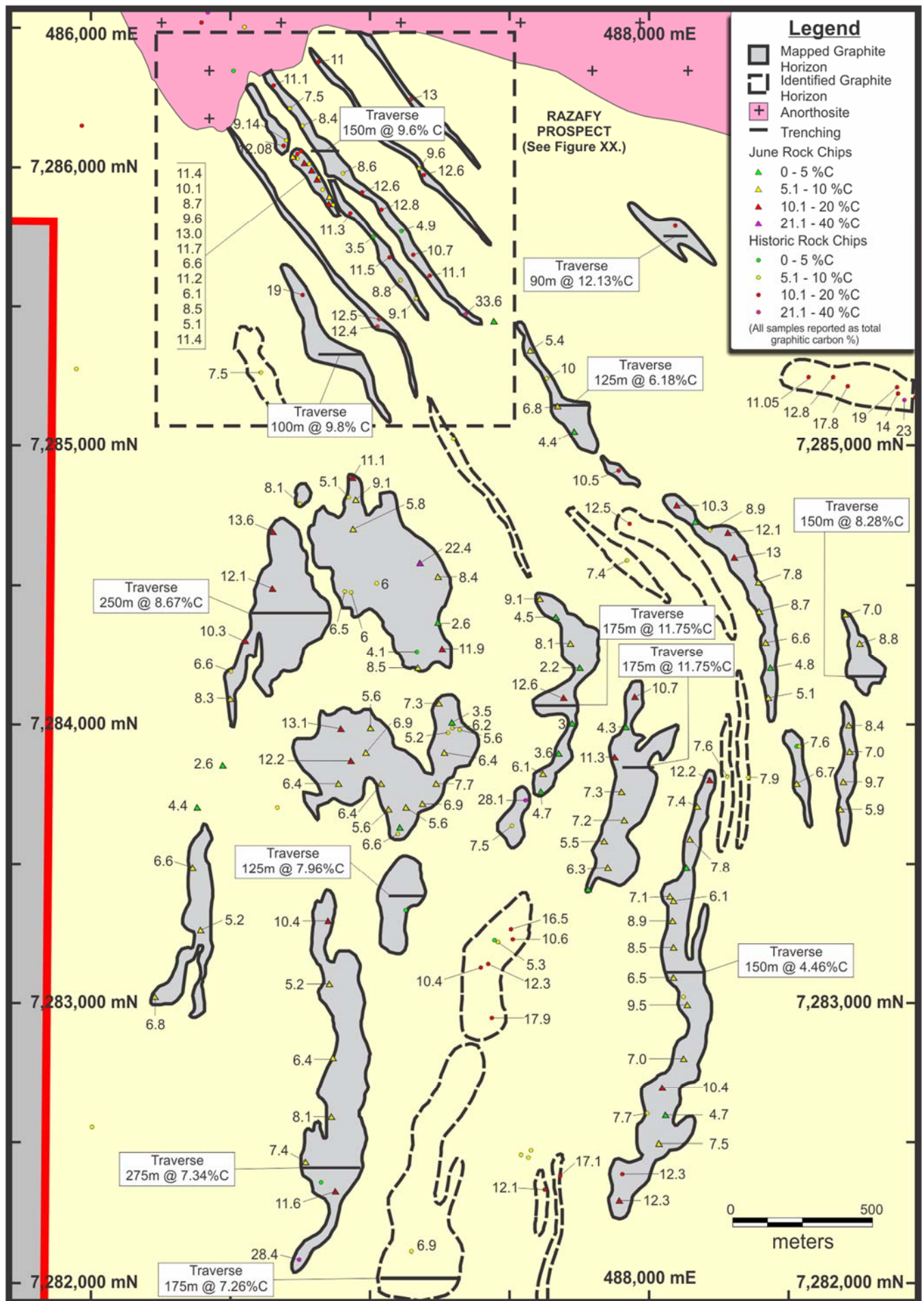


Figure (3) – Maniry Project high-grade graphite mapped outcrops

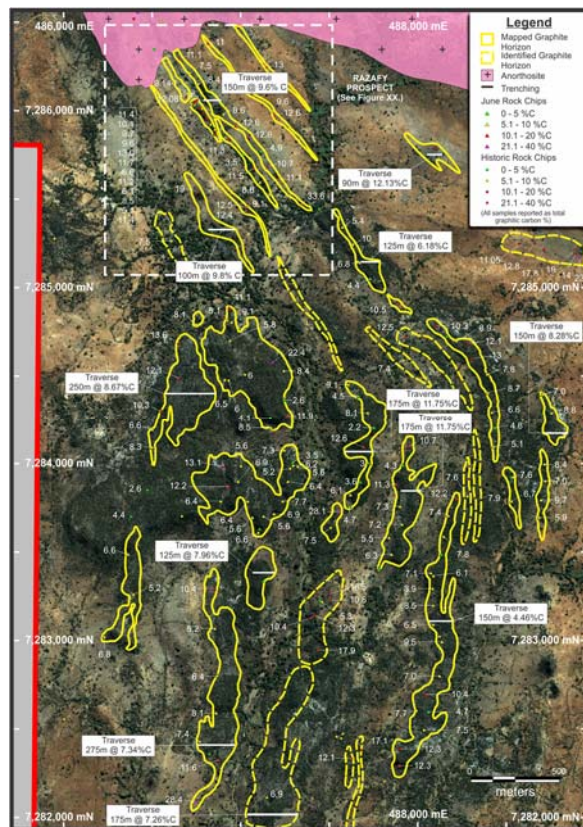


Figure (4) – Graphite outlines on airphoto image

- The sampling also includes a series of traverses comprised of composite rock chip samples across a number of the lenses. These results demonstrate continuity of the high-grade graphite mineralisation across the lenses in the majority of cases. Results from this work included:

- 125m @ 6.18%C
- 150m @ 8.28%C
- 175m @ 11.75%C
- 250m @ 8.67%C
- 150m @ 6.42%C
- 125m @ 7.96%C
- 275m @ 7.34%C
- 150m @ 4.46%C
- 90m @ 12.13%C
- 100m @ 9.81%C
- 150m @ 10.18%C
- 175m @ 7.26%C
- 75m @ 7.61%C
- 75m @ 7.51%C
- 150m @ 6.17%C
- 75m @ 4.87%C

- Field assessment of the graphite flake size demonstrates a consistently coarse flake size (see photos 1-3). Previously completed petrological analysis of selected samples has confirmed the high quality nature of the graphite. The graphite flake size is generally >0.7mm with some material as coarse as several millimetres (Photo 4). The graphite samples examined are largely free from inclusions of other minerals;
- Results of metallurgical test work samples that have been submitted to fully determine the key characteristics of the graphite mineralisation are awaited; and
- A diamond drilling program is currently being planned to test a number of key positions. The program is expected to commence in early-September 2014. The results of this work will then be used to target an area to define an initial resource;



Figure (5a) - Graphite outlines on Google Earth Image (looking south)

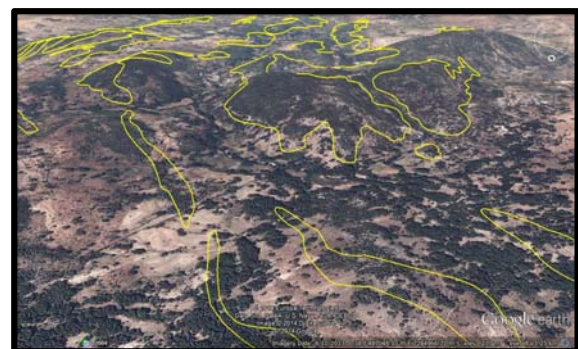


Figure (5b) - Close up Google Earth Image. Note positive relief.

Mapping and Sampling

The Malagasy Exploration team is currently in the field and is mapping and sampling the remainder of the graphite targets that have been previously identified. This work will consolidate the detailed initial evaluation of the Maniry Project.

Drilling

A diamond drilling program is currently being planned to test a number of key positions. The program is expected to commence in early-September 2014. The results of this work will then be used to target an area to define an initial resource



Photo 1

Close up photograph of high-grade graphite sample. Note coarse flake size of graphite.



Photo 2

Field sample of high-grade graphite mineralisation.

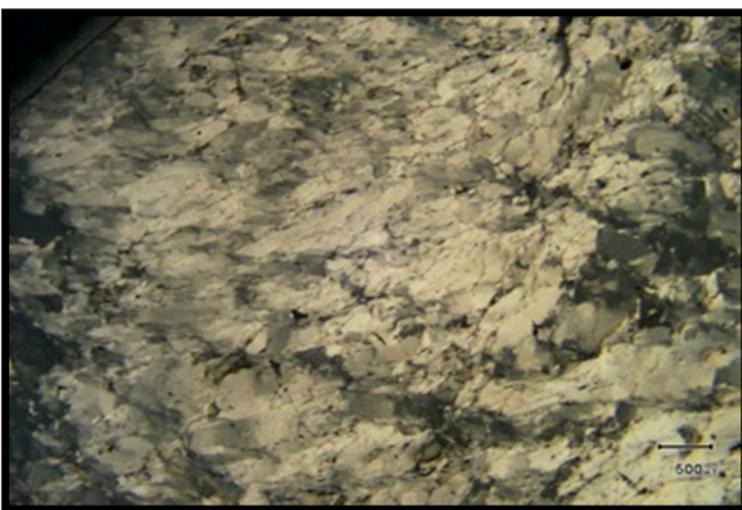


Photo 3

Photomicrograph of coarse graphite mineralisation taken from the Maniry Project. Note 500 micron scale bar.

Peter Langworthy
Technical Director

Competent Persons Statement

Competent Person's Statement

Information in this announcement that relates to exploration results is based on and fairly represents information and supporting documentation prepared and compiled by Peter Langworthy BSc (Hons), who is a Corporate Member of the Australasian Institute of Mining and Metallurgy. The information in this announcement that relates to previously released exploration data was disclosed under JORC Code 2012. The relevant dates are noted in the text.

Mr. Langworthy is a Director of Malagasy Minerals Limited. Mr. Langworthy has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves. Mr. Langworthy consents to the inclusion in the announcement of the matters based on this information in the form and context in which it appears.

(All Analysis completed by Genalysis-Intertek Laboratories (Perth). The analytical method was CSA (Total Carbon and Sulphur by CS analyser) detection limit of 0.01% - 50%C)

Year Collected	Sample No	Sample Type	%C	Easting	Northing
2014	MD12558	rock chip	9.8	486969	7285924
2014	MD12579	rock chip	12.6	486972	7285920
2014	MD12580	rock chip	12.8	487039	7285860
2014	MD12581	rock chip	4.9	487110	7285782
2014	MD12582	rock chip	10.7	487153	7285694
2014	MD12583	rock chip	11.1	487211	7285620
2014	MD12584	rock chip	9.1	487163	7285537
2014	MD12585	rock chip	8.8	487109	7285603
2014	MD12586	rock chip	11.5	487068	7285685
2014	MD12587	rock chip	3.5	486994	7285760
2014	MD12588	rock chip	11.3	486928	7285845
2014	MD12589	rock chip	8.6	486901	7285989
2014	MD12590	rock chip	6.7	486839	7286067
2014	MD12591	rock chip	8.4	486777	7286132
2014	MD12592	rock chip	7.5	486714	7286223
2014	MD12593	rock chip	11.1	486654	7286304
2014	MD12594	rock chip	10.1	486730	7286046
2014	MD12595	rock chip	9.6	486780	7286021
2014	MD12596	rock chip	6.6	486815	7285974
2014	MD12597	rock chip	6.1	486846	7285930
2014	MD12598	rock chip	5.1	486866	7285875
2014	MD15726	rock chip	5.5	487863	7280661
2014	MD15727	rock chip	6.8	487848	7280571
2014	MD15728	rock chip	6.4	487838	7280472
2014	MD15729	rock chip	7.5	487829	7280411
2014	MD15730	rock chip	8.7	487808	7280311
2014	MD15731	rock chip	7.9	487825	7280198
2014	MD15732	rock chip	4.1	487812	7280118
2014	MD15733	rock chip	9.2	487796	7279973
2014	MD15734	rock chip	5.3	487781	7279875
2014	MD15735	rock chip	7	487737	7279760
2014	MD15736	rock chip	7.4	487708	7279665
2014	MD15737	rock chip	6.8	487691	7279581
2014	MD15738	rock chip	12.3	487900	7282300
2014	MD15739	rock chip	7.8	488050	7282501
2014	MD15740	rock chip	4.7	488057	7282605
2014	MD15741	rock chip	10.7	487956	7284105
2014	MD15742	rock chip	3.8	487906	7283995
2014	MD15743	rock chip	11.3	487881	7283887
2014	MD15744	rock chip	7.3	487914	7283763
2014	MD15745	rock chip	7.2	487925	7283662
2014	MD15746	rock chip	5.5	487852	7283587
2014	MD15747	rock chip	6.3	487866	7283494
2014	MD15748	rock chip	4	487762	7283403
2014	MD15749	rock chip	7.8	488404	7284514
2014	MD15750	rock chip	13	488312	7284604
2014	MD15751	rock chip	12.1	488289	7284693
2014	MD15752	rock chip	3	488197	7284732

2014	MD15753	rock chip	10.3	488104	7284791
2014	MD15754	rock chip	8.7	488408	7284412
2014	MD15755	rock chip	13.6	486652	7284696
2014	MD15756	rock chip	12.1	486658	7284494
2014	MD15757	rock chip	10.3	486542	7284306
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2014	MD15760	rock chip	4.4	486378	7283709
2014	MD15761	rock chip	6.6	486363	7283494
2014	MD15762	rock chip	5.2	486409	7283268
2014	MD15763	rock chip	6.8	486246	7283029
2014	MD15764	rock chip	10.4	486856	7283300
2014	MD15765	rock chip	5.2	486869	7283073
2014	MD15766	rock chip	6.4	486883	7282808
2014	MD15767	rock chip	8.1	486861	7282596
2014	MD15768	rock chip	7.4	486784	7282437
2014	MD15769	rock chip	11.6	486881	7282332
2014	MD15770	rock chip	8.7	486739	7286042
2014	MD15771	rock chip	13.6	486772	7286019
2014	MD15772	rock chip	11.7	486797	7285993
2014	MD15773	rock chip	11.2	486818	7285959
2014	MD15774	rock chip	14.5	486838	7285926
2014	MD15775	rock chip	8.5	486868	7285899
2014	MD15776	rock chip	11.4	486859	7285871
2014	MD15777	rock chip	11.1	486935	7284887
2014	MD15778	rock chip	9.3	486963	7284809
2014	MD15779	rock chip	5.8	486954	7284704
2014	MD15780	rock chip	5	487099	7284660
2014	MD15781	rock chip	22.4	487177	7284583
2014	MD15782	rock chip	8.4	487259	7284535
2014	MD15783	rock chip	2.6	487257	7284373
2014	MD15784	rock chip	11.9	487265	7284277
2014	MD15785	rock chip	8.5	487185	7284207
2014	MD15786	rock chip	7.3	487260	7284080
2014	MD15787	rock chip	3.5	487292	7284013
2014	MD15788	rock chip	6.4	487281	7283903
2014	MD15789	rock chip	7.7	487252	7283793
2014	MD15790	rock chip	6.9	487202	7283721
2014	MD15791	rock chip	5.6	487143	7283707
2014	MD15792	rock chip	4.3	487106	7283635
2014	MD15793	rock chip	5.6	487057	7283702
2014	MD15794	rock chip	6.4	487002	7283792
2014	MD15795	rock chip	6.9	487000	7283904
2014	MD15796	rock chip	5.6	487015	7283993
2014	MD15797	rock chip	13.1	486901	7283990
2014	MD15798	rock chip	12.2	486937	7283875
2014	MD15799	rock chip	6.4	486901	7283792
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2014	MD15802	rock chip	8.8	487731	7284297
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2014	MD15823	rock chip	4.4	487729	7285055
2014	MD15824	rock chip	6.8	487688	7285146
2014	MD15825	rock chip	12.2	488223	7283806
2014	MD15826	rock chip	7.4	488186	7283713
2014	MD15827	rock chip	7.8	488160	7283595
2014	MD15828	rock chip	4.1	488131	7283493
2014	MD15829	rock chip	7.1	488089	7283387
2014	MD15830	rock chip	6.1	488101	7283371
2014	MD15831	rock chip	8.9	488099	7283301
2014	MD15832	rock chip	8.5	488102	7283205
2014	MD15833	rock chip	6.3	488102	7283096
2014	MD15834	rock chip	9.6	488151	7283000
2014	MD15835	rock chip	7	488139	7282807
2014	MD15836	rock chip	10.4	488051	7282701

Year Collected	Sample No	Sample Type	%C	Easting	Northing
2013	MD05883	rock chip	33.7	489148	7286108
2013	MD05884	rock chip	12.1	491679	7286047
2013	MD05885	rock chip	6.9	491981	7285926
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2013	MD05887	rock chip	17.9	487435	7282960
2013	MD05888	rock chip	28.4	486744	7282097
2013	MD05889	rock chip	21.1	486885	7280652
2013	MD05890	rock chip	4.6	486766	7278878
2013	MD05891	rock chip	8.7	487302	7279099
2013	MD05892	rock chip	14.4	488091	7285801
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2013	MD05894	rock chip	9.6	487210	7286006
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2013	MD05896	rock chip	9.9	487299	7285034
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2013	MD05936	rock chip	8.4	485949	7285286
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2013	MD05938	rock chip	6.6	486484	7284203
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2013	MD05944	rock chip	7.6	488535	7283933
2013	MD05945	rock chip	10.6	487888	7284922
2013	MD05946	rock chip	7.6	487919	7284600
2013	MD05947	rock chip	12.5	487930	7284732
2013	MD05948	rock chip	8.9	488216	7284708
2013	MD05949	rock chip	13	485966	7286158
2013	MD05950	rock chip	8.9	487393	7285484
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2013	MD05952	rock chip	9.2	490382	7282914
2013	MD05953	rock chip	4.8	490113	7281256
2013	MD05954	rock chip	2.7	487452	7280823
2013	MD05955	rock chip	2.5	490412	7282616
2013	MD05956	rock chip	1.6	487444	7283239

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2013	MD05958	rock chip	3	491507	7285902
2013	MD05959	rock chip	2.4	486511	7286356
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2013	MD06035	rock chip	9	487050	7285500
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2013	MD09196	traverse	4.4	487755	7285150
2013	MD09197	traverse	5.6	487730	7285150
2013	MD09198	traverse	5.7	487705	7285150
2013	MD09199	traverse	8.8	487680	7285150
2013	MD09200	traverse	9.2	488850	7284200
2013	MD09201	traverse	8.2	488825	7284200
2013	MD09202	traverse	8.3	488800	7284200
2013	MD09203	traverse	6.9	488775	7284200
2013	MD09204	traverse	7.8	488750	7284200
2013	MD09205	traverse	9.3	488725	7284200
2013	MD09206	traverse	8.9	487985	7283860
2013	MD09207	traverse	5.4	487960	7283860
2013	MD09208	traverse	5.2	487935	7283860
2013	MD09209	traverse	29	487740	7284077
2013	MD09210	traverse	8.7	487715	7284077
2013	MD09211	traverse	6.1	487690	7284077
2013	MD09212	traverse	6.9	487665	7284077
2013	MD09213	traverse	6	487640	7284077
2013	MD09214	traverse	18	487615	7284077
2013	MD09215	traverse	7.6	487590	7284077
2013	MD09216	traverse	8.8	486600	7284410
2013	MD09217	traverse	10.5	486625	7284410
2013	MD09218	traverse	7	486650	7284410
2013	MD09219	traverse	9.6	486675	7284410
2013	MD09220	traverse	9.2	486700	7284410
2013	MD09221	traverse	6.5	486725	7284410
2013	MD09222	traverse	9.1	486750	7284410
2013	MD09223	traverse	8.6	486800	7284410
2013	MD09224	traverse	8.8	486825	7284410
2013	MD09225	rock chip	6.5	486908	7284490
2013	MD09226	rock chip	6.5	486933	7284485
2013	MD09227	rock chip	6	487024	7284519
2013	MD09228	rock chip	4.1	487168	7284273
2013	MD09229	rock chip	5.4	486667	7283716
2013	MD09230	traverse	6.7	488060	7283122
2013	MD09231	traverse	4.9	488085	7283122
2013	MD09232	traverse	6.6	488110	7283122
2013	MD09233	traverse	8.5	488135	7283122
2013	MD09234	traverse	5.2	488160	7283122
2013	MD09235	traverse	6.6	488185	7283122
2013	MD09236	traverse	8.1	487175	7283388
2013	MD09237	traverse	5.1	487150	7283388
2013	MD09238	traverse	10.4	487125	7283388
2013	MD09239	traverse	6.2	487100	7283388
2013	MD09240	traverse	10	487075	7283388

2013	MD09241	traverse	6	487065	7283666
2013	MD09242	traverse	6.2	487090	7283666
2013	MD09243	traverse	8.5	487115	7283666
2013	MD09244	traverse	6.3	487127	7283666
2013	MD09247	rock chip	28	486871	7281204
2013	MD09249	rock chip	12.3	487901	7282401
2013	MD09250	rock chip	17.3	487679	7282395
2013	MD09251	rock chip	5.6	487320	7283994
2013	MD09252	rock chip	6.2	487295	7284000
2013	MD09253	rock chip	5.2	487277	7283984
2013	MD09289	rock chip	5.2	486637	7297611
2013	MD09301	rock chip	7.1	481994	7291604
2013	MD09315	rock chip	7.2	491656	7301603
2013	MD09316	rock chip	8.2	492095	7301723
2013	MD09323	rock chip	9.2	487916	7302186
2013	MD09329	rock chip	8.9	476294	7277605
2013	MD09330	rock chip	8	476397	7277583
2013	MD09331	rock chip	11.5	476521	7277598
2013	MD09337	rock chip	9.9	481580	7276599
2013	MD09338	rock chip	9.2	481021	7276596
2013	MD09339	rock chip	13.5	480222	7276587
2013	MD09345	rock chip	14.2	475929	7273606
2013	MD09346	rock chip	21.4	480476	7277206
2013	MD09347	rock chip	10.6	480496	7277175
2013	MD09348	rock chip	11.4	480521	7277163
2013	MD09349	rock chip	8.6	480545	7277148
2013	MD09350	rock chip	9.6	485845	7295532
2013	MD09351	traverse	9.6	486871	7286054
2013	MD09352	traverse	7.1	486828	7286070
2013	MD09354	traverse	12	486788	7286069
2013	MD09355	traverse	11.4	486753	7286069
2013	MD09356	traverse	11.4	486739	7286059
2013	MD09357	traverse	9.9	486944	7285340
2013	MD09358	traverse	15.4	486901	7285336
2013	MD09359	traverse	5.7	486868	7285343
2013	MD09360	traverse	8.2	486831	7285351
2013	MD09361	traverse	10.2	488122	7285764
2013	MD09362	traverse	10.7	488100	7285766
2013	MD09363	traverse	15.9	488072	7285762
2013	MD09364	traverse	11.7	488056	7285761
2013	MD09365	traverse	7.4	487809	7280656
2013	MD09366	traverse	8.2	487834	7280656
2013	MD09367	traverse	7.2	487858	7280656
2013	MD09368	traverse	6.9	487610	7280758
2013	MD09369	traverse	5.8	487576	7280748
2013	MD09370	traverse	5.3	487557	7280751
2013	MD09371	traverse	5.1	487525	7280748
2013	MD09372	traverse	6.6	487507	7280752
2013	MD09373	traverse	7.3	487483	7280753
2013	MD09374	traverse	4.8	487126	7280183
2013	MD09375	traverse	4.7	487158	7280184
2013	MD09376	traverse	5.1	487173	7280185

2013	MD09377	traverse	7.3	487927	7281584
2013	MD09378	traverse	9.5	487906	7281582
2013	MD09379	traverse	5.7	487876	7281603
2013	MD09380	rock chip	10.6	487509	7283240
2013	MD09381	rock chip	5.3	487457	7283232
2013	MD09382	rock chip	10.4	487396	7283139
2013	MD09383	rock chip	12.3	487422	7283151
2013	MD09384	rock chip	5.9	487540	7282470
2013	MD09385	rock chip	6	487566	7282460
2013	MD09386	traverse	13.4	487273	7282025
2013	MD09387	traverse	6.6	487259	7282025
2013	MD09388	traverse	4.8	487230	7282028
2013	MD09389	traverse	4.4	487206	7282028
2013	MD09390	traverse	4.8	487186	7282026
2013	MD09391	traverse	8.3	487162	7282027
2013	MD09392	traverse	7.4	487135	7282014
2013	MD09393	traverse	8.4	487107	7282010
2013	MD09394	rock chip	4.6	487166	7281667
2013	MD09395	rock chip	4	487192	7281660
2013	MD09396	rock chip	3.9	487233	7281669
2013	MD09397	traverse	5.6	486359	7281653
2013	MD09398	traverse	3.5	486373	7281667
2013	MD09399	traverse	5.1	486397	7281667
2013	MD09400	traverse	3.2	486444	7281658
2013	MD09401	traverse	4.4	486444	7281666
2013	MD09402	traverse	4.7	486476	7281676
2013	MD09403	traverse	4.7	486491	7281676
2013	MD09404	traverse	13.2	486974	7282412
2013	MD09405	traverse	11.5	486946	7282424
2013	MD09406	traverse	8.9	486919	7282408
2013	MD09407	traverse	5.5	486896	7282410
2013	MD09408	traverse	3.6	486876	7282413
2013	MD09409	traverse	5.3	486852	7282419
2013	MD09410	traverse	7.9	486841	7282423
2013	MD09411	traverse	6.2	486802	7282425
2013	MD09412	traverse	6.5	486775	7282424
2013	MD09413	traverse	5.4	486754	7282423
2013	MD09414	traverse	6.7	486731	7282427

Year Collected	Sample No	Sample Type	%C	Easting	Northing
2012	36661	rock chip	12.99	501913	7315279
2012	36662	rock chip	9.64	501962	7315352
2012	36663	rock chip	3.53	501715	7315458
2012	36664	rock chip	9.75	502032	7315509
2012	36665	rock chip	5.25	502039	7315512
2012	36666	rock chip	8.2	502114	7315516
2012	36667	rock chip	9.56	503211	7318128
2012	36668	rock chip	4.72	503277	7318104
2012	36669	rock chip	6.84	505512	7323343
2012	36670	rock chip	9.54	505545	7323395
2012	36671	rock chip	12.09	505969	7323038

2012	36672	rock chip	10.9	505969	7323038
2012	36673	rock chip	7.31	506151	7323054
2012	36674	rock chip	9.5	507251	7324886
2012	36675	rock chip	6.63	507251	7324886
2012	36676	rock chip	10.39	507251	7324886
2012	36677	rock chip	10.85	505736	7323869
2012	36678	rock chip	4.72	506754	7326028
2012	36679	rock chip	3.05	506754	7326028
2012	36680	rock chip	2.72	506754	7326028
2012	36681	rock chip	3.57	506754	7326028
2012	36682	rock chip	3.28	506754	7326028
2012	36683	rock chip	2.66	506754	7326028
2012	36684	rock chip	3.28	506754	7326028
2012	36685	rock chip	3.69	506754	7326028
2012	36686	rock chip	5.21	506754	7326028
2012	36687	rock chip	0.23	506754	7326028
2012	36689	rock chip	7.41	507163	7325986
2012	36690	rock chip	2.28	507606	7327456
2012	36691	rock chip	2.33	508276	7327829
2012	36692	rock chip	4.48	508706	7327853
2012	36693	rock chip	6.53	508153	7327705
2012	36694	rock chip	0.08	501530	7313131
2012	36695	rock chip	5.36	501585	7313067
2012	36696	rock chip	7.02	500158	7309646
2012	36697	rock chip	5.41	498200	7306431
2012	36698	rock chip	11.07	498200	7306431
2012	36700	rock chip	7.82	496306	7303604
2012	36701	rock chip	8.21	496203	7303636
2012	36702	rock chip	10.36	496193	7303641
2012	36703	rock chip	3.4	495690	7303825
2012	36704	rock chip	4.6	495949	7303815
2012	36705	rock chip	4.91	495949	7303815
2012	36706	rock chip	4.44	495949	7303815
2012	36707	rock chip	3.14	495949	7303815
2012	36708	rock chip	3.15	495987	7303786
2012	36709	rock chip	9.8	495987	7303786
2012	36710	rock chip	8.73	495987	7303786
2012	37711	rock chip	7.42	495987	7303786
2012	36712	rock chip	8.19	494315	7300266
2012	36713	rock chip	8.53	494500	7294154
2012	36714	rock chip	8.47	494469	7294158
2012	36715	rock chip	5.31	494449	7294159
2012	36716	rock chip	11.66	493806	7298519
2012	36717	rock chip	9.14	493829	7298538
2012	36718	rock chip	13.38	493934	7298623
2012	36719	rock chip	10.22	493966	7298651
2012	36720	rock chip	8.4	493997	7298675
2012	36721	rock chip	8.56	493731	7299077
2012	36722	rock chip	5.17	493450	7299211
2012	36723	rock chip	10.88	493450	7299211
2012	36724	rock chip	7.35	493482	7299199
2012	36725	rock chip	6.15	492997	7301274

2012	36726	rock chip	6.07	487676	7297369
2012	36727	rock chip	9.96	488893	7285278
2012	36728	rock chip	19.15	488885	7285221
2012	37729	rock chip	13.57	488890	7285200
2012	36730	rock chip	23.07	488911	7285177
2012	36731	rock chip	12.01	488951	7285186
2012	36732	rock chip	12.81	488656	7285257
2012	36733	rock chip	17.79	488708	7285224
2012	36734	rock chip	11.05	488570	7285252
2012	36735	rock chip	13.16	490318	7284103
2012	36736	rock chip	11.88	490228	7284041
2012	36737	rock chip	8.8	489700	7283706
2012	36738	rock chip	11.53	489510	7282446
2012	36739	rock chip	12.94	489523	7282420
2012	36740	rock chip	10.12	489573	7282391
2012	36742	rock chip	6.97	490249	7282590
2012	36741	rock chip	28.11	490474	7282405
2012	36743	rock chip	12.83	488554	7281089
2012	36744	rock chip	9.49	488609	7281019
2012	36745	rock chip	11.25	488586	7281019
2012	36746	rock chip	14.69	488294	7281010
2012	36747	rock chip	9.88	487894	7281603
2012	36748	rock chip	6.29	487935	7281460
2012	36749	rock chip	7.99	487876	7281392
2012	36750	rock chip	24.92	485605	7281412
2012	36751	rock chip	15.68	485608	7281580
2012	36752	rock chip	12.3	486249	7281645
2012	36753	rock chip	3.75	486415	7281690
2012	36754	rock chip	4.01	486377	7281667
2012	36755	rock chip	50.78	486627	7279776
2012	36756	rock chip	3.19	487730	7278690
2012	36757	rock chip	8.39	487220	7286575
2012	36758	rock chip	10.55	487019	7286471
2012	36759	rock chip	10.95	486851	7286388
2012	36760	rock chip	8.01	486548	7286511
2012	36761	rock chip	0.71	486548	7286511
2012	36763	rock chip	20.53	486397	7286528
2012	36762	rock chip	15.71	486418	7286564
2012	36765	rock chip	9.94	486716	7286106
2012	36766	rock chip	12.08	486690	7286089
2012	36767	rock chip	12.62	486690	7286089
2012	36768	rock chip	19	486773	7285551
2012	36769	rock chip	11.35	487225	7285983
2012	36770	rock chip	10.64	487225	7285983
2012	36771	rock chip	0.31	501530	7313131

Appendix 2 - JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> Rock chips – 20 collected - were taken from locations identified as prospective by the field geologist. Approximately 2.5kg of sample was taken and placed in a calico bag. Samples may have been from one single point or from a number of points within a 5-10m radius
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> No drilling has been undertaken that relates to this announcement.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> No drilling has been undertaken that relates to this announcement.
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the 	<ul style="list-style-type: none"> No drilling has been undertaken that relates to this announcement.

Criteria	JORC Code explanation	Commentary
	<i>relevant intersections logged.</i>	
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> • <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> • <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> • <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> • All samples were dry at point of collection • Field QC procedures for all soil and rock chip sampling programs involve the use of Certified Reference Material (CRM) as assay standards and field duplicate samples at a frequency of 1 in every 30 samples. • All QA/QC controls and measures are routinely reviewed and reported on at the completion of the program. • External laboratory QA/QC checks are routinely monitored and stored in the MGY database. • Sample size is considered adequate for the rocks encountered, mineralization style and purpose of this program.
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> • <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> • <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> • <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i> 	<ul style="list-style-type: none"> • Assaying of rock chips was undertaken by Intertek-Genalysis in Perth. Samples were pulverized, representatively sampled, digested by 4 acids and then analyzed by mass spectrometer for 53 elements including PGE's. Internal laboratory QAQC procedures were adhered to with results later checked by the MGY Senior Geologist.
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> • <i>The verification of significant intersections by either independent or alternative company personnel.</i> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> • <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> • Data collected has been verified by both MGY Geologists and Consultants OMNI GeoX Pty. Ltd. • Malagasy internal procedures that meet Western Australian industry standards were adhered to during all sampling. • All XRF analysis was undertaken by OMNI GeoX Pty. Ltd. and adhered to internal procedures. • Assay and XRF data has been collected electronically and stored within a database. • No data has been adjusted.
<i>Location of data points</i>	<ul style="list-style-type: none"> • <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> • <i>Specification of the grid system used.</i> • <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> • Sample location and altitude was recorded with handheld GPS with an accuracy of $\pm 4\text{m}$ horizontally. • The grid system used was UTM Zone 38S (WGS 84) • Results are reported in Appendix 1.
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> • <i>Data spacing for reporting of Exploration Results.</i> • <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> • Rock chips were taken at the field geologists discretion • No samples have been composited
<i>Orientation of data in</i>	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible</i> 	<ul style="list-style-type: none"> • Soil traverses were orientated across/perpendicular to the main

Criteria	JORC Code explanation	Commentary
<i>relation to geological structure</i>	<i>structures and the extent to which this is known, considering the deposit type.</i>	geological trend.
<i>Sample security</i>	<ul style="list-style-type: none"> <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> During collection, samples were stored appropriately on site under the supervision of the Senior Geologist before being transferred to the in country office in Antananarivo. Samples were then freighted by DHL to Perth where they were held by Intertek-Genalysis laboratories for quarantine and some analysis before being transferred to Omni GeoX Pty. Ltd. warehouse for further analysis.
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> No reviews or audits have been undertaken at this point.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i> <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.</i> 	<ul style="list-style-type: none"> Work was undertaken upon permits: 21059, 21064, 13832, 16753, 38323, 38324, 21062, 19003, 16747, 21063, 28346, 31735, 21061, 14619, 38469, 38392, 25605, 38392, 31734, 25606, 21060, 13811, 3432 The tenements are located within the inland South West of Madagascar approximately centered on the townships of Fotradrevo and Ampanihy. Tenements are held 100% by Mada Aust Ltd. A wholly owned subsidiary of Malagsay Minerals Ltd. No overriding royalties are in place There is no native title agreement required Tenure does not coincide with any historical sites or national parkland Semi-arid, thinly vegetated, relatively flat to low lying hills with sub-cropping rock. Tenements are currently secure and in good standing.
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> Regional mapping undertaken by BRGM. No other available data.
<i>Geology</i>	<ul style="list-style-type: none"> <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> The deposit type and mineralization style being explored for is Mafic-Ultramafic intrusive related Ni-Cu-PGE sulphides. The project overlies a prominent 20km wide zone of folded and assemblage of graphite and quartz-feldspar schists (<60% graphite), quartzite and marble units, with lesser intercalated amphibolite and leucogneiss. This zone, termed the Ampanihy Belt is a core component of the Neoproterozoic Graphite System. The belt is interpreted as a ductile shear zone accreted from rocks of

Criteria	JORC Code explanation	Commentary
		both sedimentary and volcanic origin.
<i>Drill hole Information</i>	<ul style="list-style-type: none"> <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> <i>easting and northing of the drill hole collar</i> <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> <i>dip and azimuth of the hole</i> <i>down hole length and interception depth</i> <i>hole length.</i> <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i> 	<ul style="list-style-type: none"> No drilling has been undertaken that relates to this announcement.
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i> 	<ul style="list-style-type: none"> Sample results reported in entirety.
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> <i>These relationships are particularly important in the reporting of Exploration Results.</i> <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i> 	<ul style="list-style-type: none"> No drilling has been undertaken that relates to this announcement.
<i>Diagrams</i>	<ul style="list-style-type: none"> <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i> 	<ul style="list-style-type: none"> See embedded diagrams and tables within body of text.
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i> 	<ul style="list-style-type: none"> Refer to body of text.
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations;</i> 	<ul style="list-style-type: none"> No other pertinent exploration data to be reported.

Criteria	JORC Code explanation	Commentary
	<p><i>geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i></p>	
<i>Further work</i>	<ul style="list-style-type: none"> • <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> • <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> • Refer to body of text