



EMERGENCE OF A MAJOR NEW HIGH QUALITY GRAPHITE PROVINCE

Madagascar

Malagasy Minerals Limited (ASX: MGY)

Investor Update – September 2014

Disclaimer and Competent Person's statement

Disclaimer

- This presentation is provided to you for the sole purpose of providing preliminary back ground technical, financial and other information to enable you to review the business activities of Malagasy Minerals Limited ("Malagasy"). The material provided to you does not constitute an invitation, solicitation, recommendation or an offer to purchase or subscribe for securities. The information in this presentation will be subject to completion, verification and amendment, and should not be relied upon as a complete and accurate representation of any matters that a potential investor should consider in evaluating Malagasy. This presentation may contain "forward looking statements", which are made in good faith and are believed to have reasonable basis. However, such forward looking statements are subject to risks, uncertainties and other factors, which could cause the actual results to differ materially from future results expressed, projected or implied by those statements.*

Competent Person's Statement

- The information in this presentation that relates to MGY **Exploration Results** is based on information compiled, reviewed or prepared by **Mr. Peter Langworthy** Geological Consultant to Malagasy Minerals Limited, who is a Member of the Australasian Institute of Mining & Metallurgy and of the Australian Institute of Geoscientists. Mr. Langworthy has sufficient experience, which is relevant to the style of mineralization and type of deposits under consideration and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code). Mr. Langworthy consents to the inclusion in this presentation of the matters based on this information, in the form and context in which they appear.*

CORPORATE OVERVIEW – ASX: MGY

A well established and experienced exploration company exploring for world-class graphite in Southern Madagascar

Share Price	<i>A\$0.038 (as at 30 September 2014)</i>
Ordinary Shares	<i>160,847,767</i>
Unlisted Options ¹	<i>8,625,000</i>
Market Capitalisation	<i>\$6.1 million</i>
Cash in bank	<i>\$1,125,000 (as at 1 July 2014)</i>

1. Options at various strike prices

COMPANY OWNERSHIP (as at 31 August 2014)

Directors & Management	10.11%
Top 20	48.73%

STRATEGIC RESOURCES

Strong In-country team of professionals

Experienced local workforce – admin / lab / drillers

Administrative centre in Antananarivo – office / workshops

Large strategic commercial landholding – high value

Guy LeClezio	<i>Chairman</i>
Dr. Peter Woods	<i>Non-Executive Director</i>
Graeme Boden	<i>Non-Executive Director</i>
Peter Langworthy	<i>Technical Director</i>
Ms. Natasha Forde	<i>Company Secretary</i>
Jean-Luc Marquetoux	<i>Country Manager - Madagascar</i>



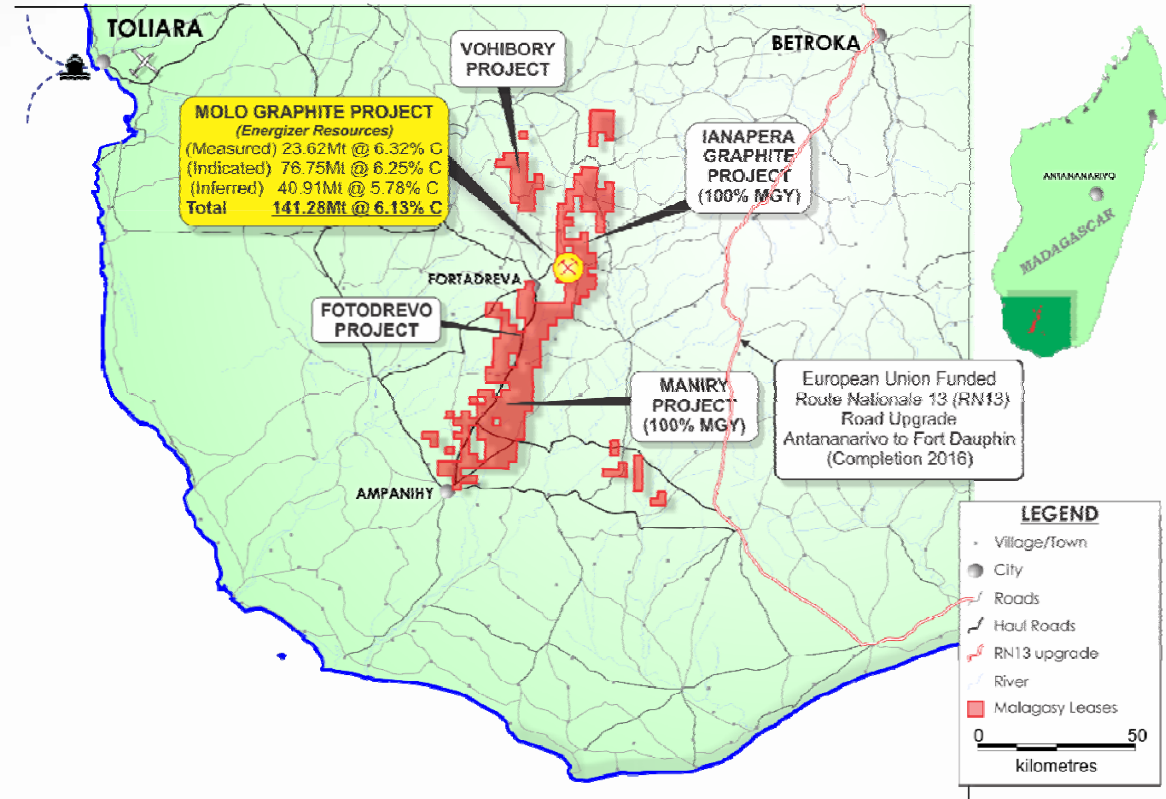
MADAGASCAR – An Emerging Global Opportunity

- Madagascar is a hugely under explored, highly prospective developing nation
- Pro-mining environment
- Stable, democratically elected Government (2013)
- Government unanimously validated by:
 - *African Union*
 - *World Bank*
 - *United Nations – Secretary General Ban Ki-moon*
- US President Barack Obama reinstated the country's access to benefits under the Africa Growth and Opportunity Act (AGOA)
- Major nickel (Sherritt & Sumitomo), mineral sands (RTZ) and oil projects developing and/or in production
- Major infrastructure funding programs – key roads and ports



GRAPHITE GROWTH STRATEGY

- Malagasy Minerals Strategic Aims:
 - Define a major new, high-quality graphite province in Southern Madagascar
 - Develop a pathway to become a major producer of premium quality “jumbo flake” graphite
 - Quickly delineate the size and quality of the large-scale Maniry Graphite Project
 - Build a strategic relationship with key players within the established graphite industry



GRAPHITE FOCUS – Investment Highlights

Emerging world-class graphite province in Southern Madagascar:

- **FLAGSHIP MANIRY PROJECT**

- Large area of outcropping hills of high-grade graphite
- Surface sampling has defined consistent grades of 8 to 12%C over large areas with lenses up to 50%C
- Initial mineralogical evaluation has confirmed the large flake size quality aspects of the graphite
- Initial metallurgical test work underway
- Exploration target within 100 metres of surface of 200–250 Mt grading between 8 and 12%C

- **IANAPERA PROJECT**

- Series of high-grade graphite lenses located to the immediate north of the Energizer Resources Inc. Molo Project.
- Strategic position to provide higher grade to feed to the Molo Graphite Project (5-15km haulage).
- Geophysical evidence indicates a larger concealed system beneath the known extents of the mineralisation.

- **MOLO GRAPHITE PROJECT (Energizer Resources Inc.)**

- Recent sale of 25% in the Molo Graphite JV to focus on 100% owned assets:
 - On execution: C\$400,000 cash / 2,500,000 shares (12mth escrow period), 3,500,000 EGZ warrants
 - On completion of BFS: C\$700,000 cash / 1,000,000 shares
 - Commencement of mining: C\$1,000,000 cash / 1.5% Net Smelter Return on all production

1. In accordance with Clause 17 of the JORC Code 2012 any reference to "Exploration Target" in the announcement in terms of target size and type should not be taken as an estimate of Mineral Resources or Ore Reserves. The potential quantity and grade is conceptual in nature. There has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the definition of a Mineral Resource. The "Exploration Target" is based upon exploration and geological work Malagasy has completed at the Maniry Project. Tonnage and grade ranges were determined by calculating the surface area of the defined outcrops of visually high grade graphite mineralisation, applying a conservative specific gravity(SG) factor and projecting the mineralisation to a maximum depth of 100m. Active exploration programs of trenching and drilling have been planned to test the validity of the exploration target.

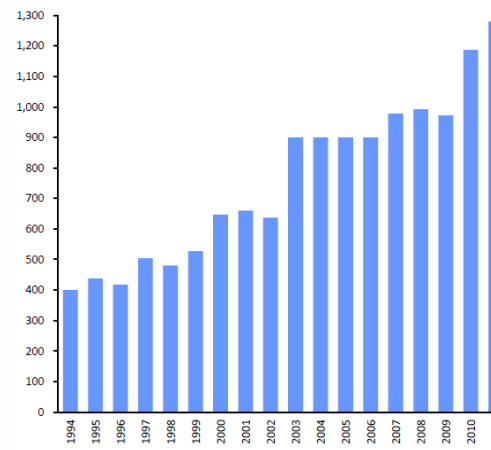
GRAPHITE MARKET – Investment Highlights

- Major Market Opportunity

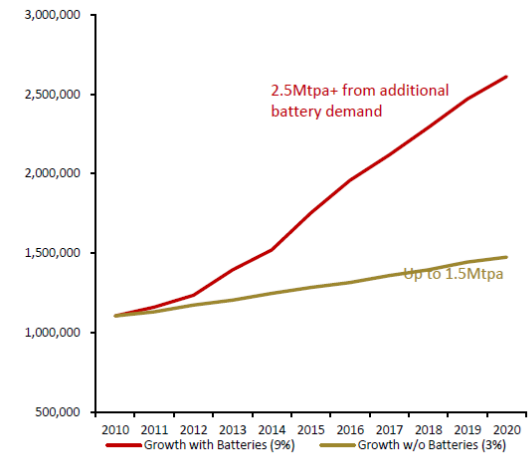
- Major global growth

- Estimations for Graphite Market:

- Forecast market shortage of large flake graphite
- Average 3.3% per year growth by 2016
- Average 8.8% per year growth for Batteries
- Additional 1.4 million tonnes demand by 2020



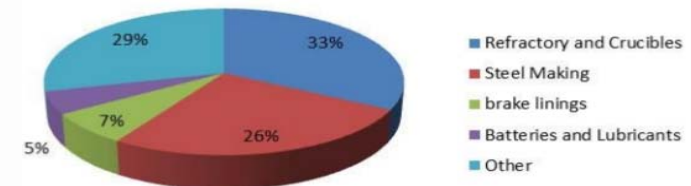
Source : USGS and Industrial Metals Magazine



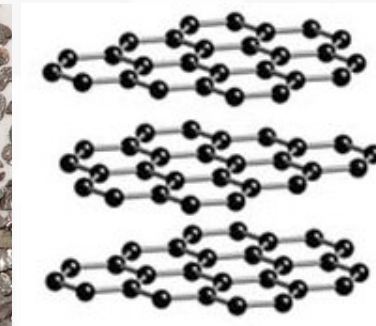
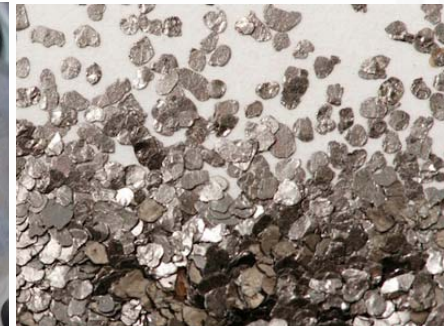
Source : USGS and Industrial Metals Magazine

- Recognition of step change technology applications

- Anticipation of major increase in demand for electric car batteries
- Graphene applications



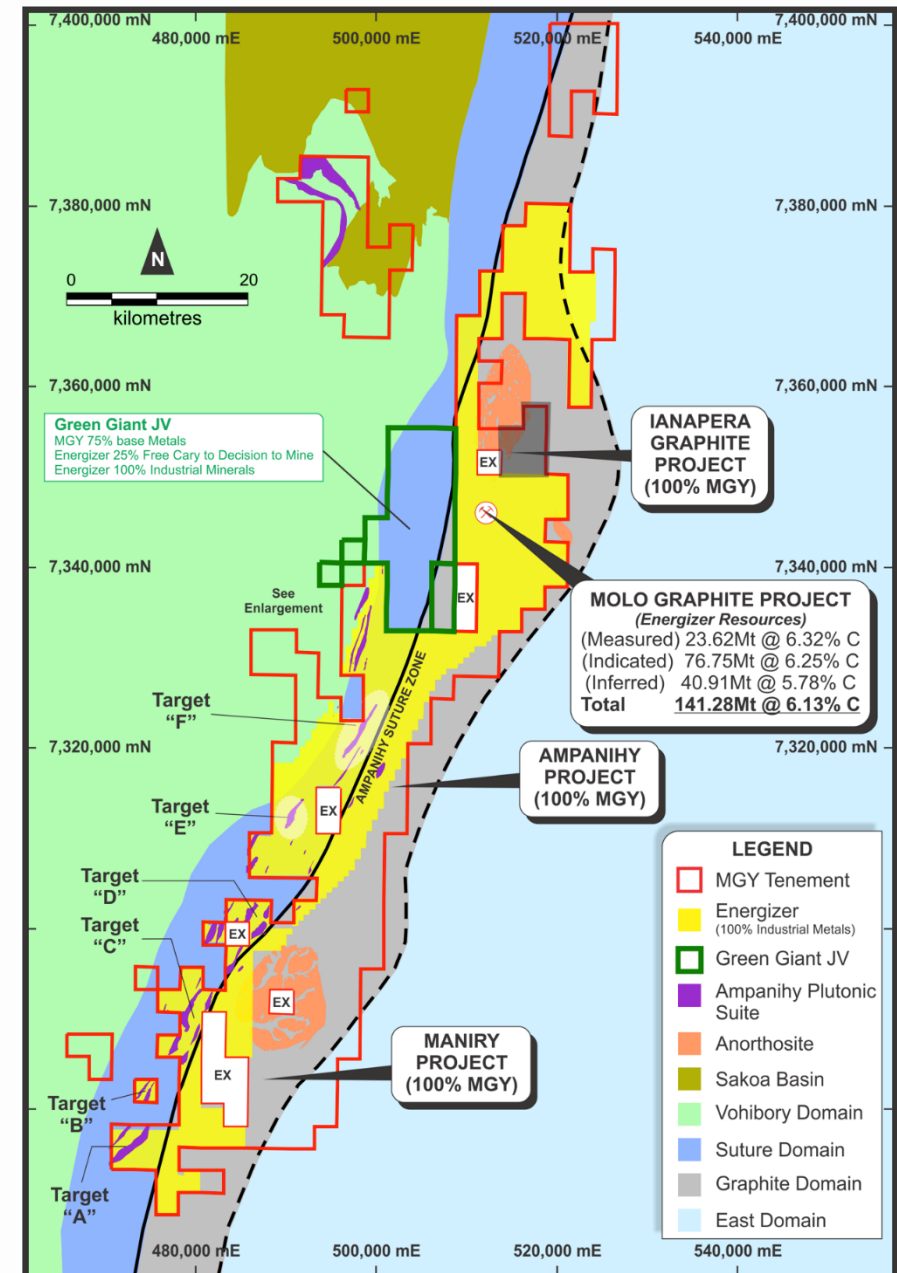
- EU and USA have named the commodity as a 'supply critical mineral'



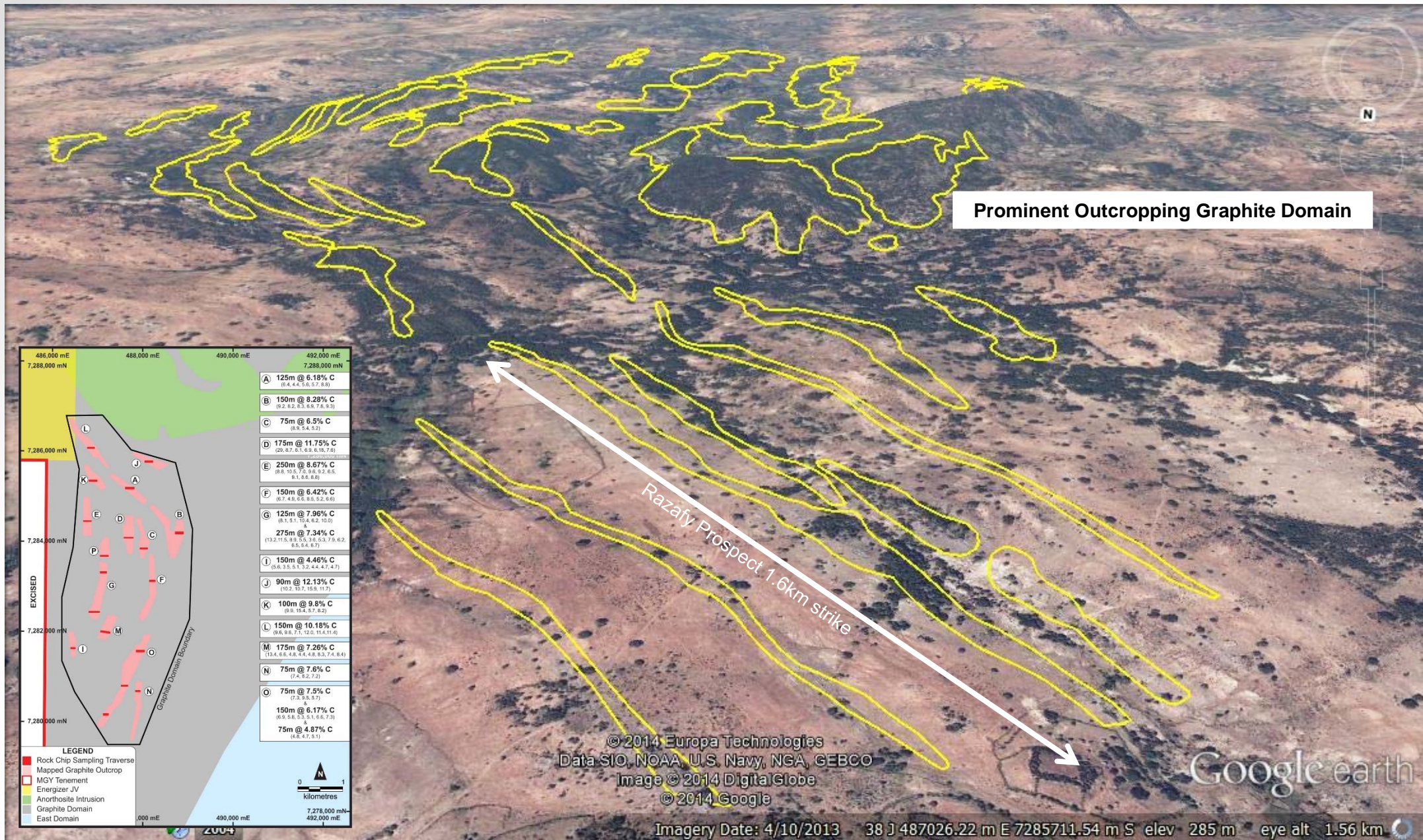
MALAGAST
MINERALS LIMITED

SOUTHERN MADAGASCAR– “A Major Graphite Province”

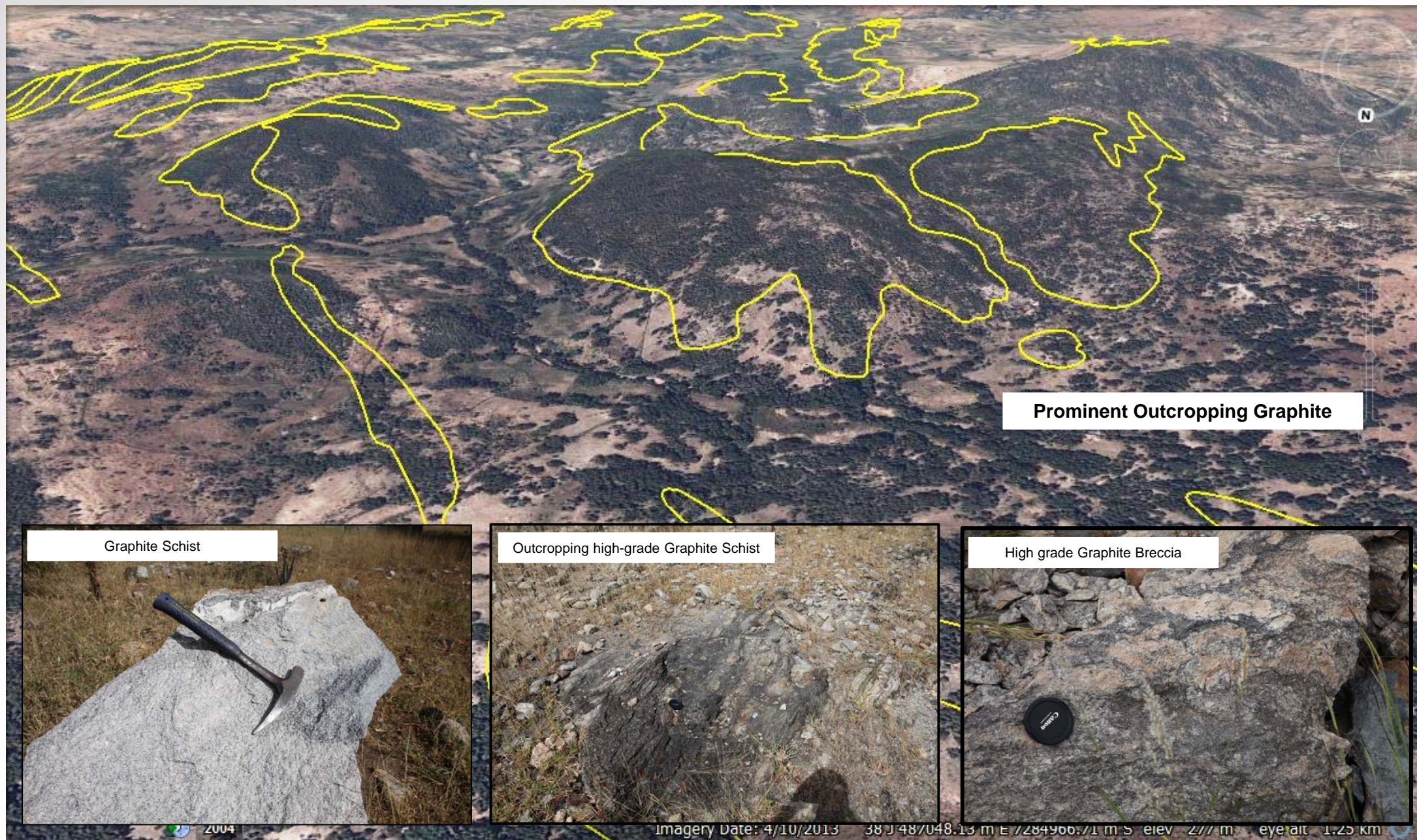
- Major graphite mineral field
- Located within the Proterozoic *Ampanihy Graphite Domain* – a series of highly metamorphosed graphitic schists and gneiss's formed during the East African Orogeny (same event as Tanzania)
- Crucially, large anorthositic intrusions present within the sequence created the structural framework, 'pressure shadows', that allowed the graphite to concentrate into thickened lenses.
- Younger granitic and porphyritic intrusions have been responsible for localised significant upgrading of mineralisation
- KEY PROJECT ATTRIBUTES
 - *+100 out-cropping lenses of graphite Identified*
 - *Grades of +50% TGC (Total Graphitic Carbon)*
 - *Observed mineralization widths of +250m with +2km of strike*
 - *Systematic exploration and evaluation identifying multiple high grade, high tonnage graphite deposits*



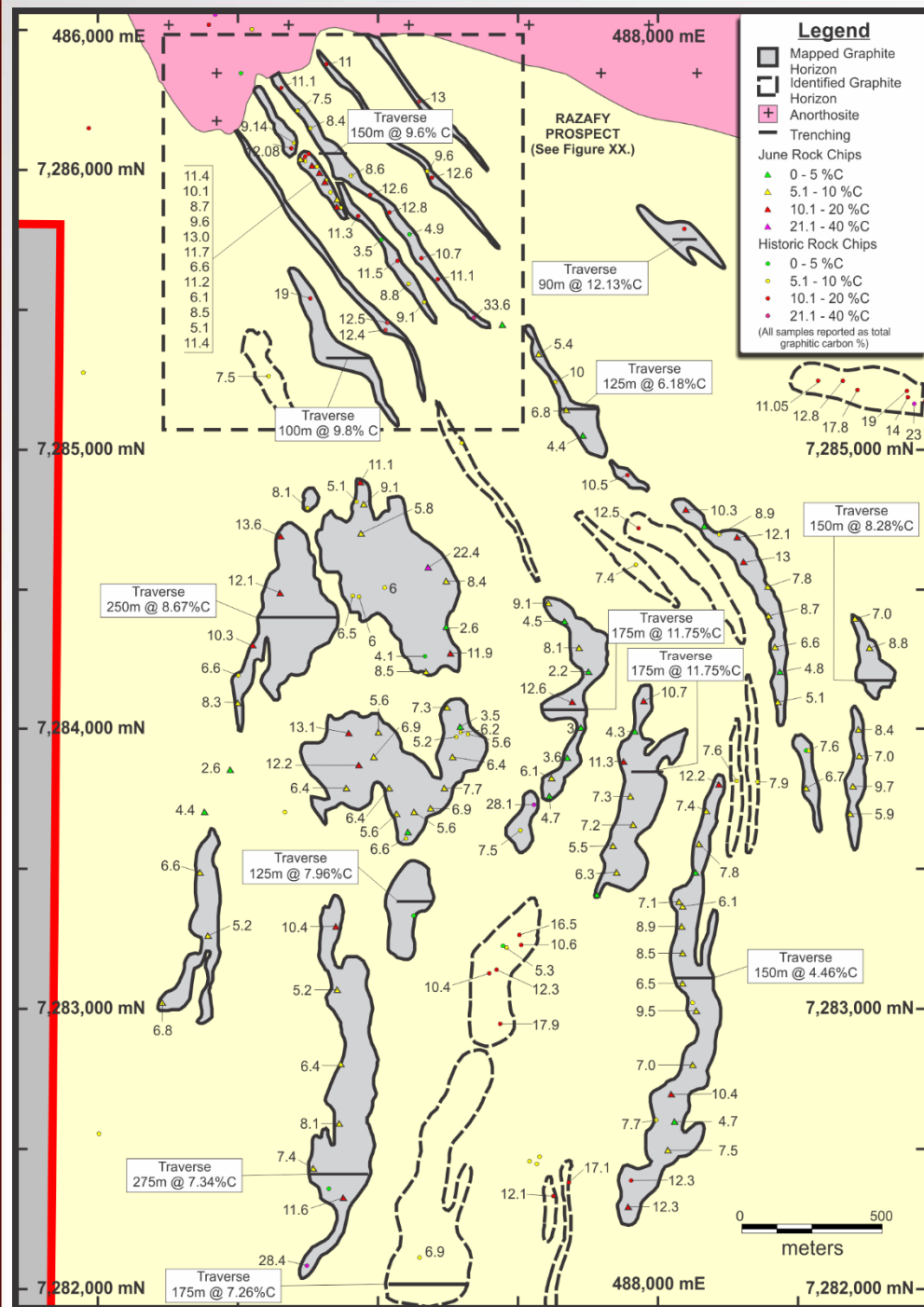
MANIRY GRAPHITE PROJECT– “A Major Graphite Province”



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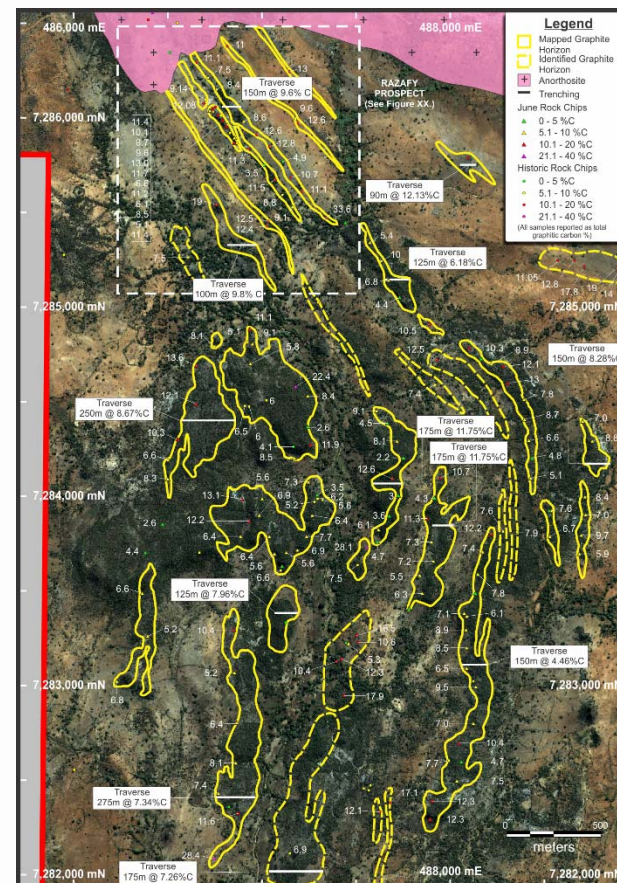
MANIRY GRAPHITE PROJECT– Mapping and Sampling



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

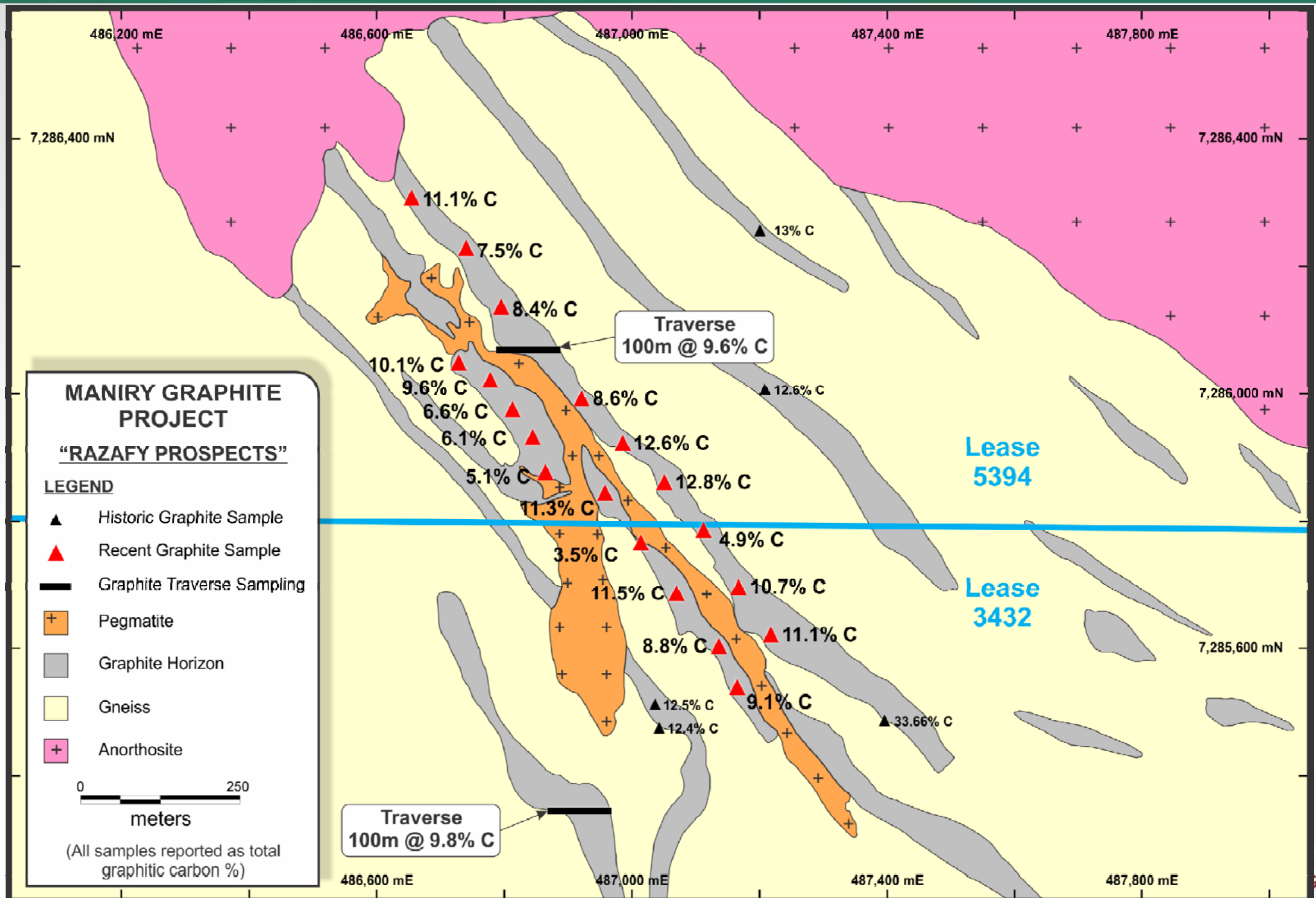
TRAVERSE SAMPLING

These results demonstrate continuity of the high-grade graphite mineralisation across the lenses in the majority of cases.

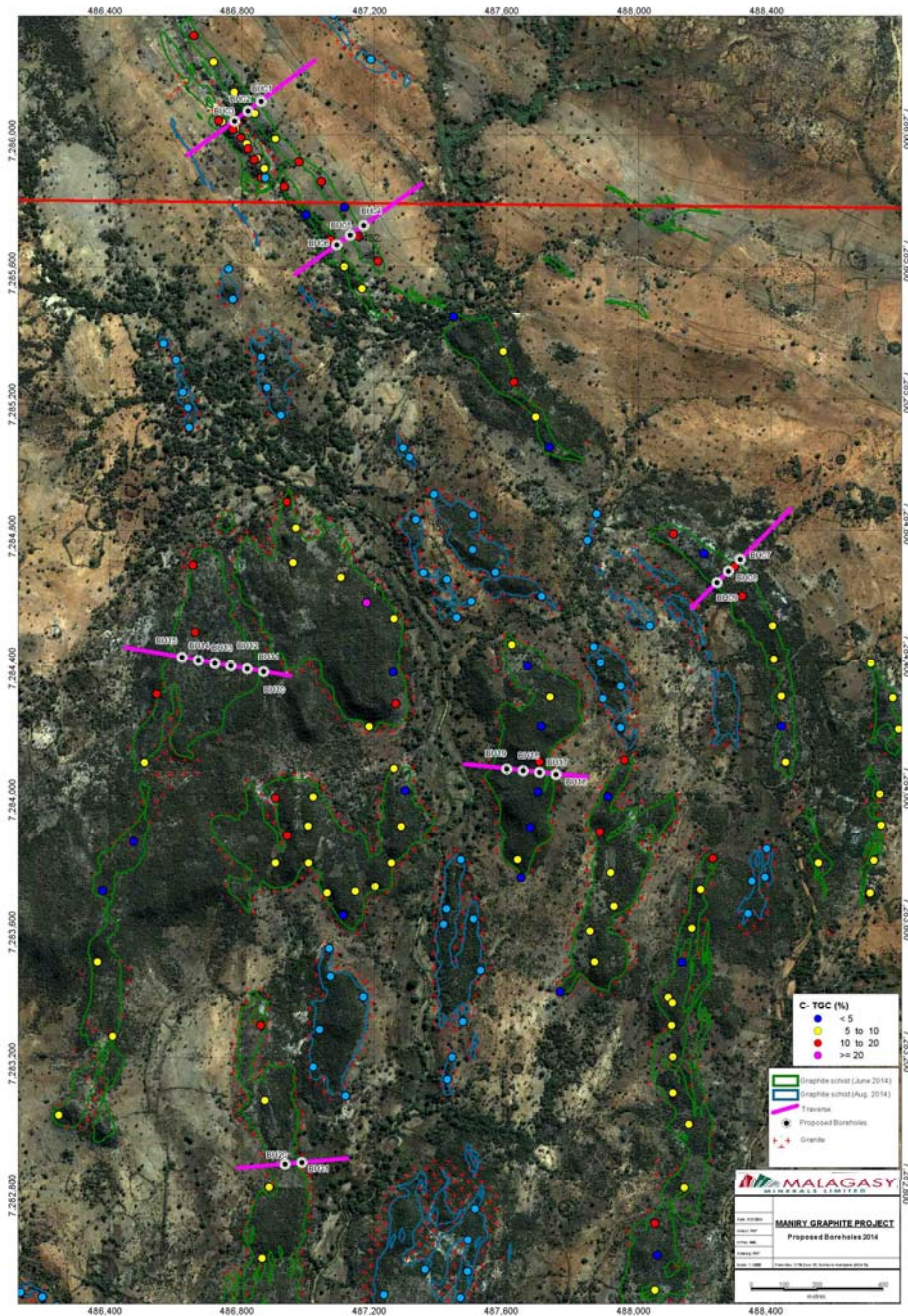


125m @ 6.18%C
150m @ 8.28%C
175m @ 11.75%C
250m @ 8.67%C
150m @ 6.42%C
125m @ 7.96%C
275m @ 7.34%C
150m @ 4.46%C
90m @ 12.13%C
100m @ 9.81%C
150m @ 10.18%C
175m @ 7.26%C
75m @ 7.61%C
75m @ 7.51%C
150m @ 6.17%C
75m @ 4.87%C

MANIRY GRAPHITE PROJECT– “A Major Graphite Province”



MANIRY GRAPHITE PROJECT– Next Step Evaluation



SEPTEMBER – DECEMBER 2014

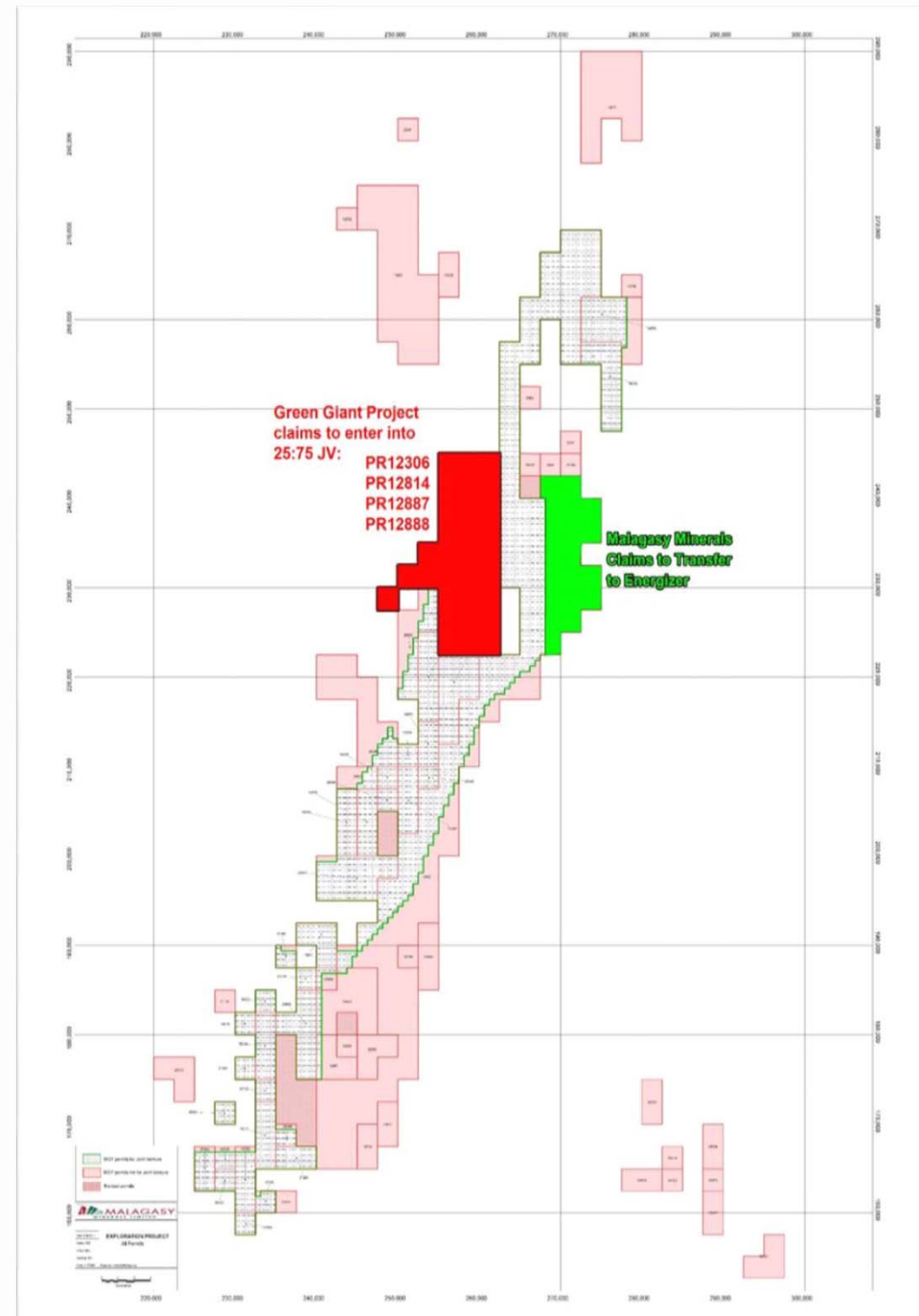
- Complete mapping and sampling program
- Initial Program of diamond drilling to test key outcrops (~3000m)
- Assaying and evaluation
- Preliminary metallurgical test work on diamond core

JANUARY – JUNE 2015

- Dependent on results: Resource drilling

Molo Project Divestment – Energizer Resources Inc.

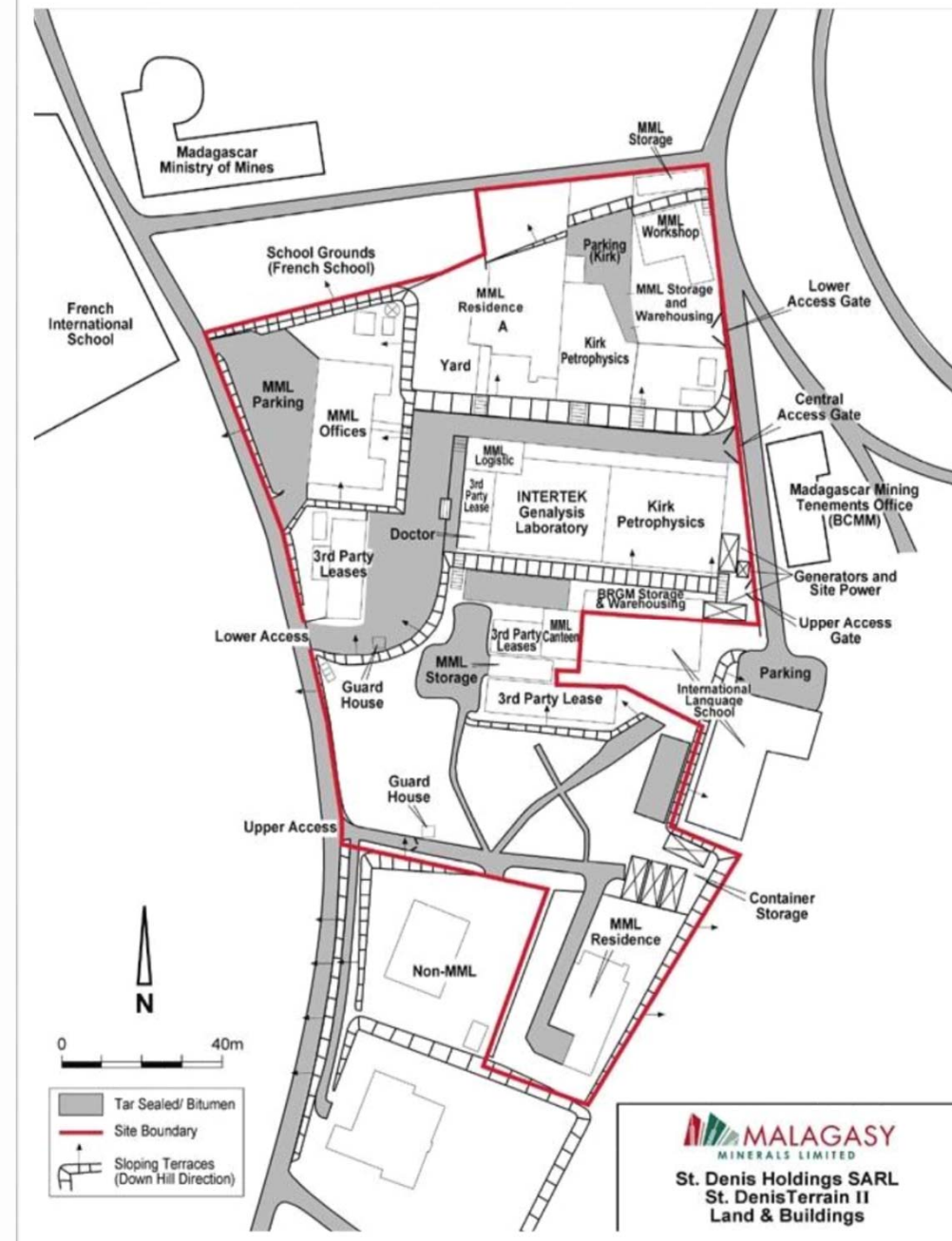
- Strategic decision made to crystallise significant value and focus on 100% owned opportunities
- Retain rights to non-industrial minerals
- Access to key Green Giant tenement for Ni-Cu-PGM exploration.
- Key terms:
 - On execution:
 - C\$400,000 cash
 - 2,500,000 EGZ shares (12mth escrow period)
 - 3,500,000 EGZ warrants (5 day VWAP prior to date of signing)
 - On completion of Bankable Feasibility Study:
 - C\$700,000 cash
 - 1,000,000 EGZ shares
 - On commencement of commercial production:
 - C\$1,000,000 cash
 - 1.5% Net Smelter Return Royalty
- Previously, in 2011 the Company entered into a JV with Energizer which saw the receipt of US\$2,250,000 and 7,500,000 EGZ shares.



Madagascar Asset Base

Continued generation of “In-Country” income stream

- Royalty stream from Labradorite quarrying operations
- Head Office & support base in Antananarivo generates rental income from 3rd Parties
- High value land holding within subsidiary company St Denis Holdings
- Utilising drilling equipment on 3rd Party programs



Thank You - Misotra

