



ASX RELEASE – 5 JUNE 2012

Malagasy Energizer JV Drilling returns 434m graphite intersection

Malagasy Minerals (**ASX: MGY**) advises that its partner in the Green Giant graphite joint venture in Madagascar, Energizer Resources, has provided an exploration update to the Toronto Stock Exchange (TSX) overnight. This release is detailed below.

In this update, Energizer states that drilling has intersected 434m of graphite mineralization at the flagship Molo deposit at the Green Giant graphite JV.

Malagasy has a 25 per cent stake the Green Giant graphite JV. Energizer is the operator of the project with a 75 per cent stake.

In addition, Malagasy retains a 100 per cent interest in an inferred 110 km strike of graphite rich schist trends identified immediately adjacent to the east of the Green Giant graphite JV project, which is currently being mapped and sampled by Malagasy, prior to samples being sent for assay and possible metallurgical testwork.

Energizer Resources Intersects 434 Metres of Graphite Mineralization in Drill Core

Press Release – June 4, 2012

Energizer Resources Inc. (**TSX: EGZ**) (OTCBB: ENZR) (FWB: YE5) (“Energizer” or the “Company”) is pleased to announce it has intersected wide intercepts of graphite mineralization from its recently initiated National Instrument (NI) 43-101 graphite resource drill program on the Molo deposit. The Molo is located on the Green Giant Graphite project joint venture (JV) property with Malagasy Minerals Limited in Madagascar, in which Energizer has a 75% ownership interest and is the operator.

In normal circumstances, the Company would not issue a press release describing mineralization without accompanying assay data. However, due to the wide intercepts of graphite mineralization intersected, the Company deems this information to be material.

Samples collected from the drill core have been sent out for assay, and the Company anticipates the receipt of the first assay results in approximately 6 weeks. Previous metallurgical analysis conducted at two different laboratories have confirmed that the Molo deposit contains jumbo flake (i.e. +50 mesh) graphite at an average purity of 93% C and can be easily liberated through simple crushing.

434 Metres of Graphite Mineralization Intersected in Drill Core

The Company has completed 5 diamond drill holes at the Molo as part of its 2012 resource drill program. All drill holes were completed along a single drill section, and in conjunction with ongoing drilling will be used to produce a NI 43-101 compliant graphite resource.

Based on assays from the 7 diamond drill holes previously intersected in the 2011 drilling campaign at the Molo deposit, the geological logging and visual inspection of the drill core for these latest 5 holes indicates that the graphite content appears to be similar.

The Company can now confirm that the Molo deposit begins immediately at surface, and extends to a vertical depth of over 300 metres as evidenced by drill hole MOLO-12-01, which intersected 434 metres of graphite mineralization. The confirmation of graphite mineralization at surface is believed by the Company to be a key benefit of the Molo, as it should allow for cost-effective open pit mining.

Molo Deposit Well Positioned for Mine Development

These latest resource-drilling results reinforce Energizer's selection of the Molo Deposit for mine development. The Company, in conjunction with its technical engineering partner DRA Mineral Projects, is now expediting development and is targeting early 2015 for production.

The Molo is located in an area that has good access via a network of seasonal secondary roads from the nearby village of Fotadrevo, which in turn has access to a regional road system that leads to the ocean port of Tulear. The port of Tulear is an international shipping container port, located 160 kilometres to the west of the Molo.

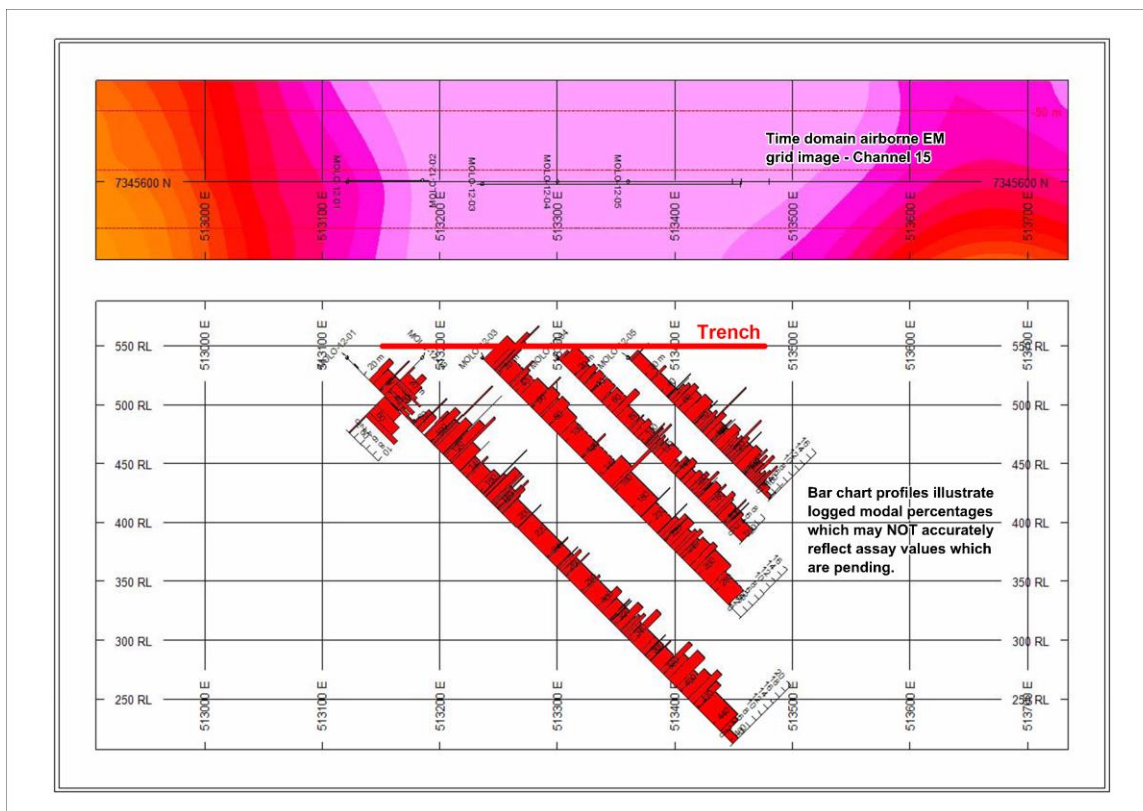
Water is readily available due to the shallow water table and local river system and the power requirements of a graphite operation can be easily met with diesel power. The proximity of the Sakoa coal project (located 30 kilometres away), which is expected to commence development this year, could provide Energizer with the added option of infrastructure sharing opportunities and other synergies.

The Molo is located in an ideal geographical setting for a mine. The area is dry and semi-desert like with very little vegetation, has a very low regional population density, and has relatively flat terrain. The climate also adds to the ease of mining, as this area of Madagascar has a very temperate climate with a mild rainy season from December to March.

Drill Results

Diamond drill hole (DDH) MOLO-12-01 was emplaced to test both the western and eastern edge of the Molo deposit. DDH MOLO-12-02 was drilled in order to define the western-most edge of the Molo deposit, while DDH MOLO-12-03 through 05 were drilled to define the eastern-most edge of the Molo deposit. The table below summarizes the drill intersections, while a drill hole cross-section is provided on the Company's website.

Drill Hole	UTMX	UTMY	Azimuth	Dip	Graphite Intersection (m)	Depth	
						From (m)	To (m)
MOLO-12-01	513120	7345600	90	-45	434	26	460
MOLO-12-02	513180	7345600	270	-45	51	18	69
MOLO-12-03	513240	7345600	90	-45	295	Surface	295
MOLO-12-04	513300	7345600	90	-45	220	Surface	220
MOLO-12-05	513360	7345600	90	-45	150	Surface	150



Graphite Mineralization on Surface

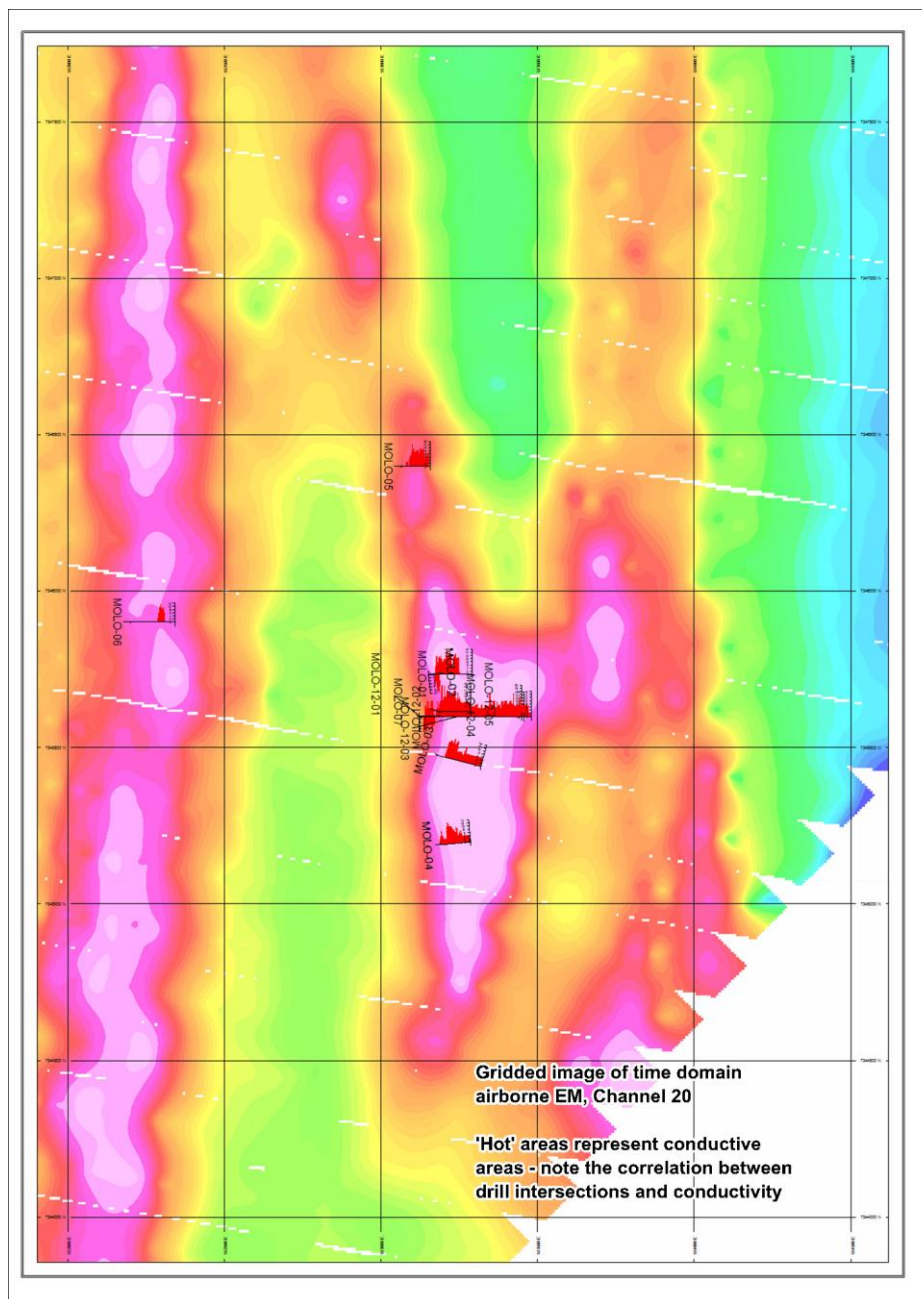
Geological mapping has identified numerous graphitic outcrops. Trenching over the Molo deposit has verified graphite mineralization is found at surface, and intervening soil-covered areas between graphite outcrops have graphitic bedrock mineralization at depths ranging between 10 cm and 1 metre below the soil. To-date, two trenches have been excavated over the Molo deposit, exposing continuous graphite mineralization over 300 metre lengths. Samples collected from the trenches have been sent out for assay, and the Company anticipates the receipt of the first assay results in approximately 6 weeks.

Pictures of the trenches and the Molo deposit area can be viewed on Energizer's website at www.energizerresources.com.

Drilling and Trenching Confirm Effectiveness of Geophysics

The drill and trench intersections obtained to date confirm that both the ground-based EM-31, and time domain electromagnetic airborne geophysical surveys are highly effective at identifying graphite mineralization. The EM-31 is effective in delineating near-surface mineralization, while the time domain airborne survey is effective in detecting graphite mineralization at depth.

Due to the high correlation between the geophysics, drill core and conductors, the Company is confident in obtaining a NI 43-101 resource ranging between 50 and 100 million tonnes on the Molo deposit with a grade range of between 6 to 10% C. The Company anticipates the NI 43-101 report will be available by Q3-Q4 of this year.



Qualified Person

Craig Scherba, Senior Vice President Exploration and Operations for Madagascar, P.Geol., is the qualified person for the technical information provided in this release.

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We seek Safe Harbour: This press release may contain forward-looking statements that may involve a number of risks and uncertainties. Actual events or results could differ materially from expectations and projections set out herein.

ENERGIZER JOINT VENTURE- BACKGROUND

Pursuant to the Joint Venture Agreement announced on 15 December 2011, Malagasy and Energizer have formed a joint venture company owned 75% by Energizer and 25% by Malagasy with the right to explore for a group of defined industrial minerals including vanadium and graphite within specifically defined permits covering approximately 40 per cent of Malagasy's prospective tenement holding in southern Madagascar.

Malagasy's interest in the joint venture will be free-carried until Energizer delivers a BFS. If Energizer or the joint venture company delivers a BFS on any discovery, Malagasy will have the right to contribute to development and mining operations in accordance with its 25% interest in the joint venture or may elect to dilute its interest. If Malagasy elects to dilute its joint venture interest to below 10%, then Malagasy's interest will convert to a 2% net smelter return royalty.

Malagasy also holds 7.5 million shares in Energizer.

Qualified Person – Malagasy Minerals

The information in this report that relates to Exploration Results or Mineral Resources is based on information compiled or reviewed by Mr. Fergus Jockel, Consulting Geologist, who is a Member of the Australasian Institute of Mining and Metallurgy and of the Australian Institute of Geoscientists. Mr. Jockel has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activities undertaken, 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". Mr. Jockel consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

Resource Target – EGZ Non-Compliant NI 43-101 Statement - *The potential quantity and grade of the target graphite deposit is conceptual in nature and there has been insufficient exploration to adequately define a mineral resource in accordance with NI 43-101 requirements. Further exploration to define a compliant NI 43-101 resource will commence shortly, and although the Company sees no reason why a compliant mineral resource would not be defined there is no guarantee that further exploration will result in the target graphite deposit being defined as a mineral resource. The potential quantity and grade of the target graphite deposits have been determined through the progression of exploration methodology and initial metallurgical testing. This included airborne surveys, ground geophysics, mapping, trenching and diamond drill holes, in conjunction with assay results. The low range of the resource target is based on confirmed surficial mineralization and drill hole intersection assays to date. The high range of the resource target is based solely on confirmed surficial mineralization with no sub-surface drilling. Samples are collected in accordance with strict QA/QC protocols, and sent to accredited test facilities for obtaining assay results.*

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