MALAGASY MINERALS LIMITED
ABN 84 121 700 105

ASX RELEASE – 30 August 2012

Malagasy-Energizer graphite JV 'outlines 100Mt footprint' at Molo

Resource estimate and preliminary economic assessment on flagship deposit set for December Quarter

Malagasy Minerals **(ASX: MGY)** is pleased to advise that its joint venture partner and operator in the Green Giant Graphite Project in Madagascar, TSX-listed Energizer Resources, has announced additional assays from resource drilling at the Project's flagship Molo deposit.

The drilling is being used to calculate a NI 43-101 compliant graphite resource. Energizer has set a resource target of 100 million tonnes at greater than 6 per cent carbon (graphite).

Energizer has announced that the resource estimate and the preliminary economic assessment of Molo is expected to be completed in the December Quarter of this year.

The Molo deposit is exposed at surface and is over 2km in strike length with a width ranging from 50 metres up to 500m, and has been drilled to a depth in excess of 300 metres.

Malagasy has a 25 per cent stake in the Green Giant graphite JV. Energizer has the remaining 75 per cent stake. Malagasy is free carried until completion of a Bankable Feasibility Study.

A copy of the Energizer release is attached.

"Quote

Energizer Resources Outlines 100 Million Tonne Footprint of the Molo Deposit with the Completion of Resource Drill Program

Press Release – August 29, 2012

Energizer Resources Inc. (TSX: EGZ) (OTCBB: ENZR) (FWB: YE5) ("Energizer" or the "Company") is pleased to announce it has received additional assays from its recently completed National Instrument (NI) 43-101 graphite resource drill program on the Molo deposit. The Company is now in a position to outline the prospective deposit size and boundaries, as well as the grade and tonnage.

The Molo deposit is located in the Green Giant Graphite project, and is part of the joint venture (JV) property with Malagasy Minerals Limited in Madagascar. Energizer has a 75% ownership interest and is the operator of the Project.

NI 43-101 Graphite Resource Program Complete

The recently completed drill program will provide the necessary data to complete a National Instrument (NI) 43-101 graphite resource, which will be part of the Preliminary Economic Assessment (PEA) due in Q4 of this year. DRA Mineral Projects, Africa's largest mine engineering, construction and operations firm, is authoring the PEA Study, while Caracle Creek International Consulting Inc. of South Africa is authoring the resource statement. In total, 41 diamond drill holes over 8,450 metres, and 18 trenches over 2,100 metres were completed during the program.

Drill and Trench Intersections Confirm Large Footprint of Molo

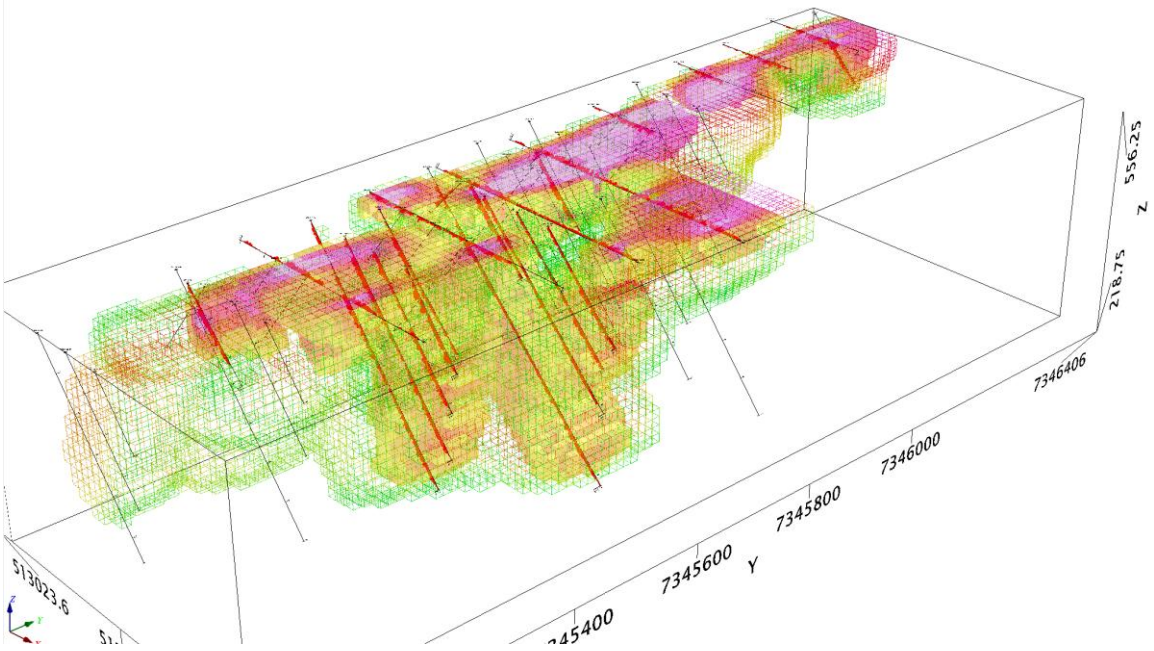
The Company has now received assays for the first 9 (of 41) drill holes, and the first 8 (of 18) trenches completed during the course of the recently concluded resource delineation program. Coupled with the 6 diamond drill holes and 1 trench completed during the December 2011 exploration program, this assay data confirms that the Molo has a very large footprint.

The Molo deposit exists within a folded sequence over a 2 km strike length. In the north, it is between 50 to 60 metre wide then flares to over 500 metres in width. From this point, the graphite deposit tapers down to a width of approximately 250 to 350 metres. Finally, the deposit splits into two 'arms' of between 50 and 100 metre widths respectively. A satellite image of the Molo deposit footprint can be viewed on the Company's website at www.energizerresources.com.

Drill and trench data received to date, as well as mapping, prospecting and geophysical surveying, confirms graphite mineralization at surface, and over an area of at least 250,000 m^2. Depth of mineralization has been confirmed by drilling in excess of 300 metres. Based on the size of the Molo footprint, as well as the tenor of mineralization found in the 15 drillholes (9 from 2012 and 6 from 2011) and 8 trenches received to date, the Company is confident of delineating a deposit in excess of 100 million tonnes at an average grade greater than 6% carbon (graphite).

Reported trench and drill assays are represented as red lines and histograms. The drill holes and trenches we are awaiting assays for are represented by the black trace lines.

Filled blocks illustrate block-modeled mineralization, while the wireframe model illustrates the overall shape of the anticipated deposit (based on modal drill intercepts).



Assay Results

The drill hole and trenches were designed to delineate the extent of the Molo deposit. The first 3 holes were emplaced to help determine the eastern and western boundaries of the Molo deposit. Diamond drill holes MOLO-12-04 through MOLO-12-09 were drilled to delineate the eastern edge of the deposit.

Trench MOLO-TH-12-03 assayed 7.2% carbon over 413 metres and was emplaced to test the extent of surficial mineralization over the width of the Molo. This trench was extended further to the east. Assays are still pending on this extension. Trenches MOLO-TH-12-04 through MOLO-TH-12-07 were emplaced to test the mineralized width of the northern limb of the Molo deposit, while MOLO-TH-12-08 was emplaced to test the widths of the southern limbs of the deposit.

The table below summarizes the drill and trench intersections. An assay table summarizing all results is also provided on the Company's website.

DDH	From (m)	To (m)	Length (m)	C%
MOLO-12-04	0.8	221	220.2	5.42
MOLO-12-05	10.5	163.6	153.1	6.01
MOLO-12-06	0.5	362	361.5	5.60
MOLO-12-07	1.5	293.5	292	6.48
MOLO-12-08	1.2	212	210.8	6.45
MOLO-12-09	0.2	137	136.8	6.83
Trench	**From (m)**	**To (m)**	**Length (m)**	**C%**
MOLO-TH-12-03	5	418	413	7.20
MOLO-TH-12-04	2	119	117	6.64
MOLO-TH-12-05	22	90	68	6.73
MOLO-TH-12-06	52	118	66	7.49
MOLO-TH-12-07	37	138	101	6.45
MOLO-TH-12-08	86	140	54	7.45
MOLO-TH-12-08	186	296	110	6.70

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.

For more information, please visit our website at www.energizerresources.com, or contact:
Brent Nykoliation, Vice President of Business Development
Toll Free: 800.818.5442 or 416.364.4911
Email: bnykoliation@energizerresources.com
or Kirk McKinnon, Chairman and CEO

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.

Unquote"

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 Dr. Peter Woods, Director, who is a Member of the Australian Institute of Geoscientists. Dr. Peter Woods 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". Dr. Peter Woods 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.*

For further information contact:

Max Cozijn – Chairman

+61 8 9463-6656

contact@malagasyminerals.com

For media enquiries contact:

Paul Armstrong – Read Corporate

+61 8 9388 1474

info@readcorporate.com.au