MALAGASY MINERALS LIMITED
ABN 84 121 700 105

30th April 2014 **ASX Announcement** **ASX:MGY**

MALAGASY MINERALS LIMITED
Activities Report for the March Quarter 2014

HIGHLIGHTS

- Final results of the systematic regional mapping and geochemical sampling program have now been received. The results confirm and extend the presence of an extensive suite of mafic-ultramafic intrusive rocks associated with the regionally significant Ampanihy Suture Zone in the southern Maniry Area;
- Extensive zones of coincident nickel-copper soil geochemistry associated with a number of the intrusions have been defined;
- Interpretation of the data at hand suggests strong similarities with the geological setting that hosts the world-class Voisey's Bay Nickel-Copper Deposit; and
- Malagasy announced the execution of agreements for the sale of the company's 25% interest in the Molo Graphite Project to joint venture partner Energizer Resources Inc. ("Energizer" or "EGZ").

BACKGROUND

Malagasy Minerals Limited (ASX Code: MGY / "Malagasy") has established a large exploration project in Southern Madagascar (Figure 1) that is prospective for both mafic-ultramafic intrusive related nickel-copper-platinum group metals (PGM) deposits and high-grade high-quality graphite deposits. This is being undertaken both on a 100% basis and through joint venture.

MOLO GRAPHITE PROJECT

Sale of 25% interest in the Molo Graphite Deposit

The Board of Malagasy Minerals Limited ("Malagasy") announced on 27th March that it had signed agreements for the sale of the company's 25% interest in the Molo Graphite Project to joint venture partner Energizer Resources Inc. ("Energizer" or "EGZ").

This transaction crystallises significant value for Malagasy and allows the company to focus on gaining further exposure to high quality graphite deposits on the company's highly prospective 100% owned tenements at the Maniry Project. In addition to this 100% owned graphite opportunity, Malagasy will continue to advance its core focus of exploring for world-class nickel-copper-PGM deposits across the wider project area.

The core components of the Sale and Purchase Agreement ("SAP") between the companies are:

- On execution of the Sale and Purchase Agreement Energizer will;
  - Pay Malagasy the sum of C$400,000 cash;
  - Issue 2,500,000 EGZ shares (held in escrow for 12 months); and
  - Issue 3,500,000 EGZ warrants (based on a 5 day VWAP prior to date of signing).
- On completion of a Bankable Feasibility Study ("BFS") Energizer will:
  - Pay Malagasy the sum of C$700,000 cash; and
  - Issue 1,000,000 EGZ shares.
- On the commencement of commercial production Energizer will:

- Pay Malagasy the sum of C$1,000,000 cash; and
- Commence payment of a 1.5% Net Smelter Return ("NSR") on all production.

- Malagasy will include an additional tenement previously not part of the Molo Joint Venture.

- The transaction is limited to industrial mineral rights only, which include graphite.

The Board of Malagasy believes this transaction delivers a low-risk immediate return to Malagasy in the form of the initial cash payment and the issue of shares. In the medium to long term it provides no-risk exposure to the future development of the project through a combination of additional shares, warrants and a significant royalty. In addition this agreement enhances the potential funding and development pathway of the project with Energizer now being able to seek funding support on a 100% basis.

Importantly, the development of the Molo Graphite Project would also see a substantial injection of key infrastructure into this area of southern Madagascar that would significantly enhance Malagasy's exploration and any future development activities across the region.

In a further transaction, Energizer and Malagasy signed an agreement to:

- Transfer to Malagasy a 75% interest in the non-industrial mineral rights of the adjacent Green Giant Project for nil consideration; and

- Energizer's 25% interest in the joint venture thus established will be free-carried to a decision to mine.

Gaining access to the Green Giant Project consolidates Malagasy's position over the major nickel-copper-PGM trend identified through the Ampanihy Project.

Settlement of the purchase consideration is expected shortly, with the signing of some ancillary documentation.

AMPANIHY PROJECT – NICKEL-COPPER-PGM EXPLORATION
The Ampanihy Project has been confirmed as a host for a significant suite of mafic-ultramafic intrusive rocks that have demonstrated potential to host nickel-copper-PGM mineralisation. Having established that the application of systematic regional geochemical sampling and programs of mapping and rock chip sampling is the most effective way of exploring the entire 110km strike of the project a work program involving the collection of approximately 4,000 soil samples has been completed across the entire project. 50% of these samples covering the southern half of the project have now been analysed: the results of which have confirmed the potential of the project to host a significant mafic-ultramafic intrusive related Ni-Cu-PGM deposit.

NICKEL-COPPER-PGM EXPLORATION RESULTS
Exploration for NI-Cu-PGM has been focused along a major documented structural zone referred to as the ***"Ampanihy Suture Zone".*** This feature has been the focus of a substantial intrusive event that has seen a suite of intrusive rocks ranging from anorthosite, through gabbro to ultramafic peridotite and dunite. These intrusive rocks are now referred to as the ***"Ampanihy Plutonic Suite".*** This geological setting is interpreted to be analogous to that described at Voisey's Bay.

Key results of the recent exploration initiative include:

- Identification of an additional 3 clusters of mafic-ultramafic intrusive rocks in close proximity to the Ampanihy Suture Zone. Individual intrusions are up to ~5km long but are more typically ~2km long (Figure 2). This now makes a total of 7 key target areas that require follow-up exploration;

- Strong coincident Ni-Cu geochemical anomalies associated with a number of the intrusions; and

- Rock chip results that in general support the presence of the nickel-copper soil anomalism. The results are not as strong as the previous results collected to the south but nonetheless are considered important. (Figure 3).

These new results now confirm the widespread presence over at least an 80 kilometre strike length of a suite of highly prospective mafic-ultramafic intrusive rocks that have demonstrated nickel-copper-PGM sulphide potential. This first time recognition of this major, province scale nickel-copper-PGM exploration opportunity is rated by Malagasy as one of the most exciting early stage exploration plays in the world for these types of deposits

Table 1: Results of Rock Chip Samples					
Sample No	***Nickel (ppm)***	***Copper (ppm)***	***Platinum (ppb)***	***Palladium (ppb)***	***Sulphur (ppm)***
MD12450	1366	121	10	6	9338
MD12461	1403	26	5	13	547
MD12319	1366	22	10	6	172
MD12323	1337	25	3	2	1521
MD12329	1372	56	10	31	134
Previously reported:					
MD9306	3722	1666	129	27	5430
MD9303	3650	308	44	216	1757
MD9286	1606	469	39	36	3537
MD9287	1184	661	68	57	11794

Note:
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.

XRF analysis of the soil samples was undertaken with a handheld Innov-X Delta Premium XRF unit. The machine was routinely calibrated and CRM material inserted into sample runs for QAQC purposes. Reading time varied for different batches of samples between 30 seconds or 90 seconds (3 beams). Data was routinely checked with internal QAQC standards met.

See Appendix (2) for JORC Code 2012 Edition commentary on Sampling Techniques and Data

See Appendix (1) for full details.

FUTURE WORK

- Detailed evaluation of each of the main identified target areas by detailed mapping, sampling, trenching and infill geochemical sampling;
- Planning of initial geophysical programs that most likely include airborne magnetics and ground based electromagnetic; and
- Dependent of results initial programs of drilling.

MALAGASY REGIONAL GRAPHITE EXPLORATION (MGY 100%)

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 JV Deposit. Malagasy is targeting a high-grade resource base of >5,000,000 tonnes at a graphite grade of +15%C, with a particular focus on identifying near surface deposits that can be assessed quickly and at modest cost.

As previously announced exploration has identified a series of large, high-grade outcrops of graphite mineralisation (peak result 50.8%C) within a broader graphite trend over an area of approximately 8km x 4km. The next phase of field work over this area commenced in April 2013.

CORPORATE

Financial Position

The Company's cash position at 31 March was $803,000, an increase of $91,000 for the quarter, after receiving $296.000 from the sale of Energizer shares held by the Company. At the end of the quarter the company held a balance of 1,000,000 Energizer shares with a value of $137,000.

Labradorite royalties continue to be received from only one of the three companies with quarrying agreements, but administration costs were partly defrayed by $36,000 rent receipts from the Tana complex.

Political Situation

The elections for President and legislature were completed on 20th December 2013. Mr Hery Rajaonarimampianina was elected President and his investiture was held on 25th January 2014. The President announced, on 11th April 2014, the appointment of Mr Roger Kolo as Prime Minister. The formation of a

government in the legislature and the appointment of Cabinet Ministers has also been completed. The international community seems to have been generally satisfied with the electoral process and the formation of a government is expected to see international relationships restored. As previously advised, continuing delays are being encountered in the processing of tenement applications, renewals, and the registration of additional minerals on the permits. If the electoral outcome does not see an improvement in these processes, there is a risk that the Company may not be able to secure the grant or renewal of tenements in a timely manner, or on satisfactory terms.

Tenements

During the quarter there were no changes to the Malagasy Mineral Limited tenement portfolio. A full listing of the company's tenements in Madagascar is included as Appendix 2.

For and on behalf of the Board

Peter Langworthy
Technical Director

Competent Persons Statement

The information in this report that relates to Exploration Results or Mineral Resources is based on information compiled or reviewed by Mr. Peter Langworthy, Consulting Geologist, who is a Member of the Australian Institute of Mining and Metallurgy. Mr. Peter Langworthy is a full time Director of Malagasy Minerals Limited and has sufficient experience, which is relevant to the style of mineralisation and types of deposit under consideration and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Peter Langworthy consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

Figure (1) – Regional Location Plan

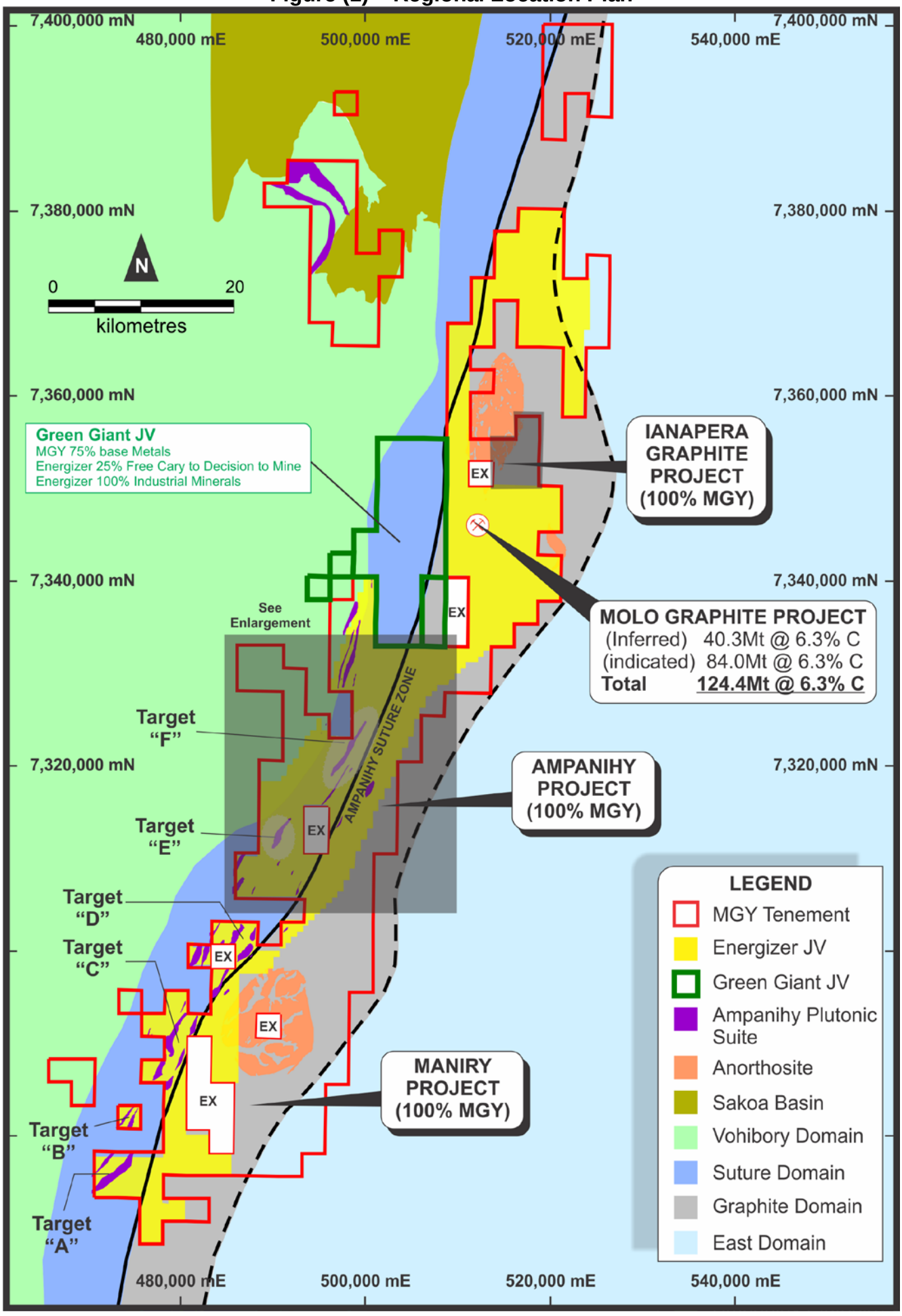


Figure (2) –Location Plan: Central Ampanihy Project

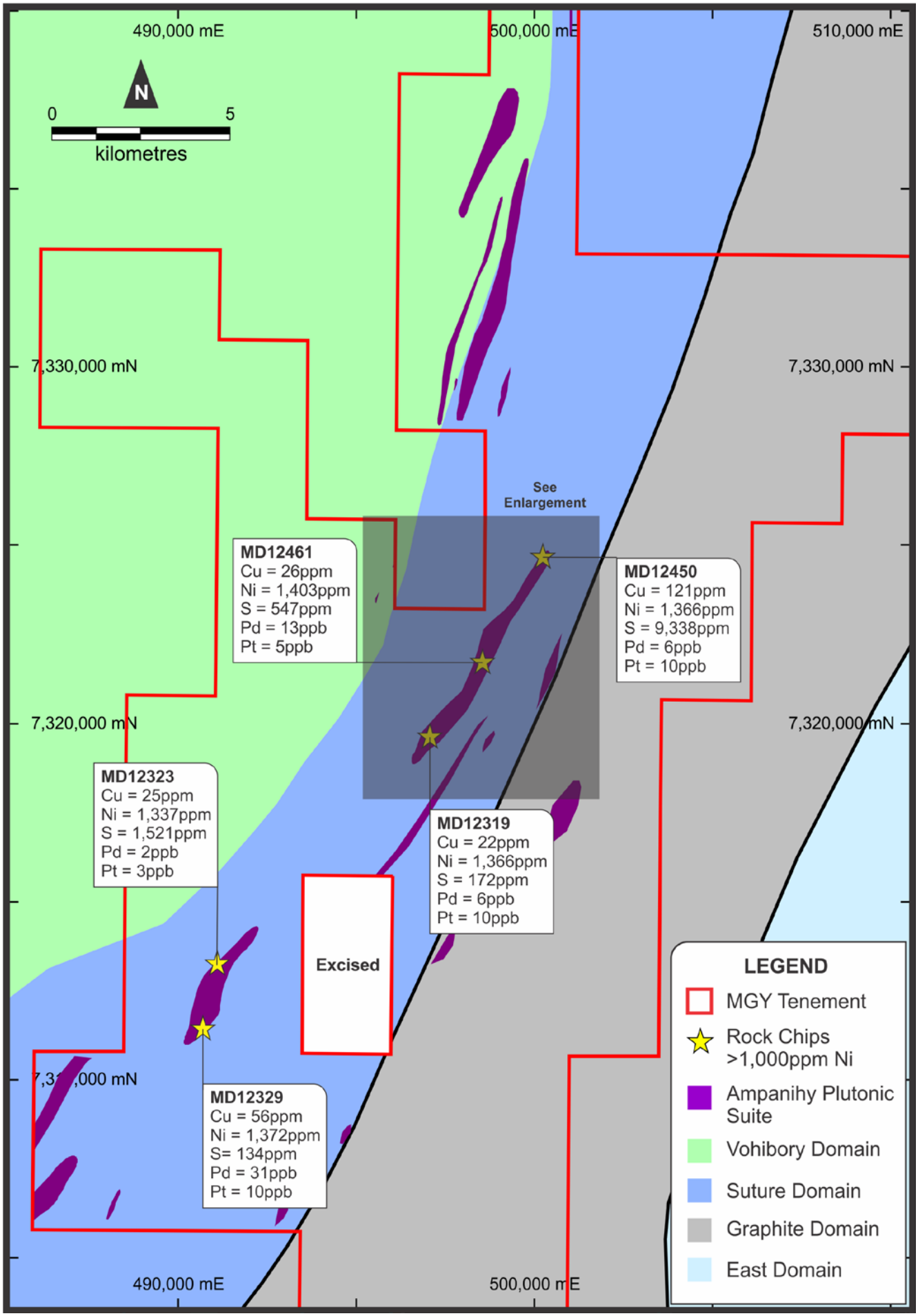
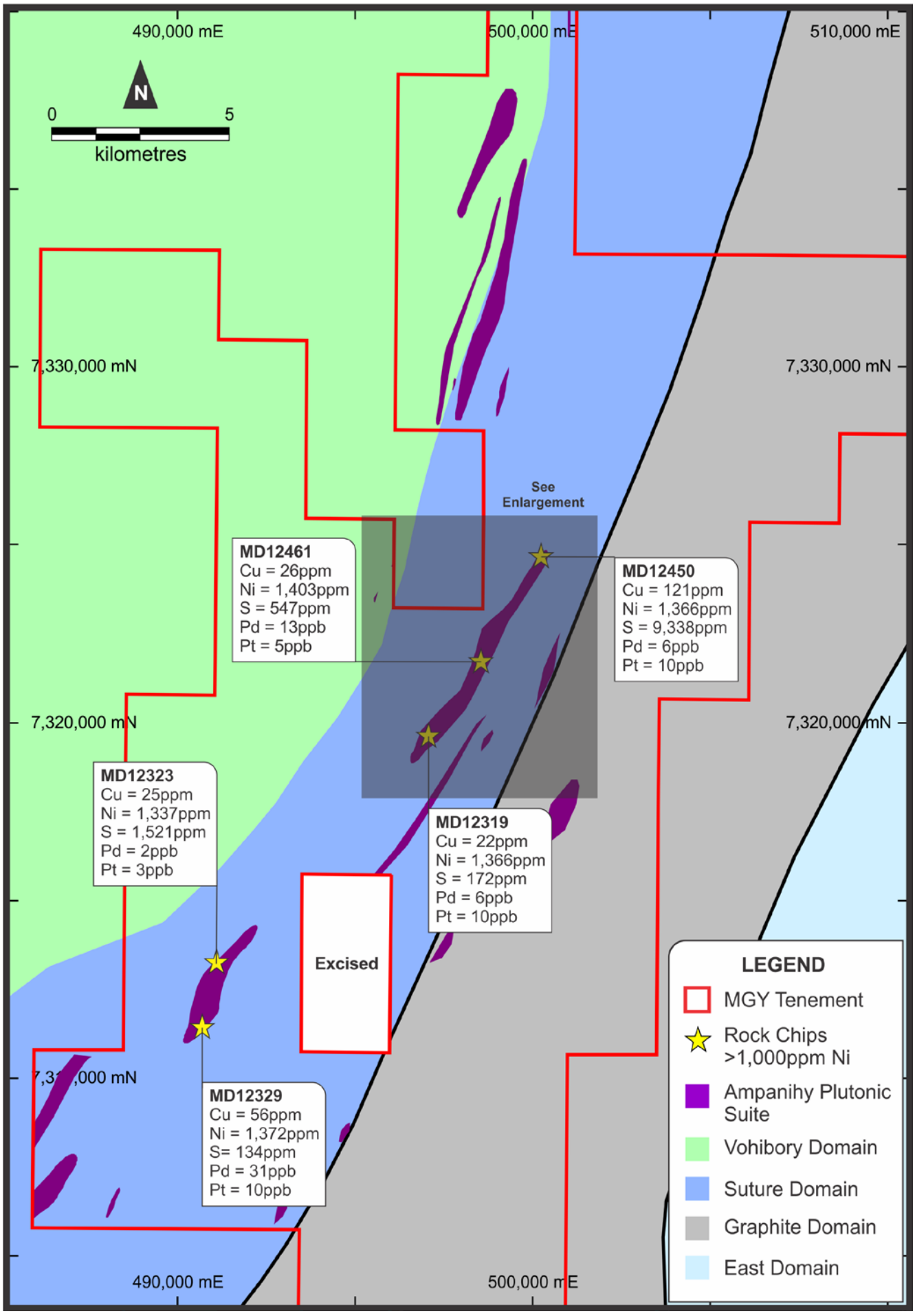


Figure (3) – Target : Schematic Geology and Rock Chip Results



APPENDIX (1) – Target E & F Rock Chip Sampling Details

Sample No.	Easting	Northing	Ni_ppm	Cu_ppm	Pd_ppb	Pt_ppb	S_ppm	Co_ppm	Cr_ppm
MD12319	497,108	7,319,614	1366	22	6	10	172	172	2407
MD12323	491,188	7,313,273	1337	25	2	3	1521	1521	1377
MD12329	490,794	7,311,459	1372	56	31	10	134	134	1219
MD12450	500,272	7,324,650	1954	121	15	11	9338	934	3510
MD12461	498,576	7,321,700	1403	26	13	5	547	547	3218

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *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.*	• Soil samples – 4110 collected – were taken on a pre-designated grid with GPS used to locate the sample location. A representative piece of ground was chosen in the vicinity of the location with any loose debris and vegetation removed. The top 5cm of 'topsoil' was removed from an area measuring 50 x 50cm with a further pit dug within with the resultant soil suitably homogenized. Soil was then sieved to 177µm (#80 mesh) with approximately 120g of sample collected in a paper bag and stored appropriately. • Rock chips – 204 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 • An Innov-X Delta Premium XRF analyzer was used to analyze all soil samples whilst rock chips were assayed at a laboratory.
Drilling techniques	• *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).*	• No drilling has been undertaken that relates to this announcement.
Drill sample recovery	• *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.*	• No drilling has been undertaken that relates to this announcement.
Logging	• *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*	• No drilling has been undertaken that relates to this announcement.

Criteria	JORC Code explanation	Commentary
	relevant intersections logged.	
Sub-sampling techniques and sample preparation	• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *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.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• 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.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *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.* • *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.*	• 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. • XRF analysis of the soil samples was undertaken with a handheld Innov-X Delta Premium XRF unit. The machine was routinely calibrated and CRM material inserted into sample runs for QAQC purposes. Reading time varied for different batches of samples between 30 seconds or 90 seconds (3 beams). Data was routinely checked with internal QAQC standards met.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• 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.
Location of data points	• *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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Sample location and altitude was recorded with handheld GPS with an accuracy of ±4m horizontally. • The grid system used was UTM Zone 38S (WGS 84) • Results are reported in Appendix 1.
Data spacing and	• *Data spacing for reporting of Exploration Results.* • *Whether sample compositing has been*	• Soil samples were taken on a 1000m x 100m grid • Rock chips were at the field geologists

Criteria	JORC Code explanation	Commentary
distribution	*applied.*	discretion • No samples have been composited
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	• Soil traverses were orientated across/perpendicular to the main geological trend.
Sample security	• *The measures taken to ensure sample security.*	• 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.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• 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
Mineral tenement and land tenure status	• *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.* • *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.*	• 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. • Energizer Resources Inc. (TSX) holds a 75% interest in all Industrial Minerals. To be clear this does not include any base or precious metals. • 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.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Regional mapping undertaken by BRGM. • No other available data.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• 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

Criteria	JORC Code explanation	Commentary
		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 both sedimentary and volcanic origin.
Drill hole Information	• *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:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.* • *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.*	• No drilling has been undertaken that relates to this announcement.
Data aggregation methods	• *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.*	• For the purpose of reporting a minimum cut-off grade for rock chips has been established at 1000ppm Ni.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *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').*	• No drilling has been undertaken that relates to this announcement.
Diagrams	• *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.*	• See embedded diagrams and tables within body of text.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting*	• Refer to body of text.

Criteria	JORC Code explanation	Commentary
	of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; 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.*	• No other pertinent exploration data to be reported.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Refer to body of text

APPENDIX 2: # Tenement Schedule

MALAGASY MINERALS LIMITED GROUP

ABN 84 121 700 105

Title Number	Permit Type	Grant Date	Expiry Date	Term	Project Name	Total Carres (New - 0.391km2)	Interest %	Notes
						4752		
3432	PR	18-Jun-01	17-Jun-11	**10**	Ampanihy - Central (Big 'S')	1648	807 -100% 841 - 25% in JV	1
5391	**PE**	20-Nov-02	19-Nov-42	**40**	Ampanihy - Ianapera	16	100%	2
5392	**PE**	20-Nov-02	19-Nov-42	**40**	Ampanihy - Ianapera	16	100%	2
5393	**PE**	20-Nov-02	19-Nov-42	**40**	Ampanihy - Ianapera	16	100%	2
5394	**PE**	20-Nov-02	19-Nov-42	**40**	Ampanihy - Maniry	48	40 - 100% 8 - 25% in JV	3
12834	PR	01-Mar-05	28-Feb-15	**10**	Majunga	64	100%	
13063m	PR	04-Feb-05	03-Feb-15	**10**	Vohibory	240	100%	
13063s	PR	04-Feb-05	03-Feb-15	**10**	Vohibory	96	100%	4
13064	PR	04-Feb-05	03-Feb-15	**10**	Fotadrevo	48	25% in JV	
13089	PR	04-Feb-05	03-Feb-15	**10**	Ampanihy - Maniry	48	100%	
13508	PR	04-Feb-05	03-Feb-15	**10**	Vohibory	16	100%	4
13811	PR	14-Mar-05	13-Mar-15	**10**	Ampanihy - Maniry	48	25% in JV	
13812	PR	14-Mar-05	13-Mar-15	**10**	Ampanihy - Maniry	32	100%	
13827	PR	14-Mar-05	13-Mar-15	**10**	Ampanihy - Ianapera	192	100%	
13829	PR	14-Mar-05	13-Mar-15	**10**	Vohibory	32	100%	
13832	PR	14-Mar-05	13-Mar-15	**10**	Ampanihy - Maniry	16	100%	
14618	PR	26-Jan-05	25-Jan-15	**10**	Ampanihy - Ianapera	32	100%	
14619	PR	26-Jan-05	25-Jan-15	**10**	Ampanihy - Maniry	16	25% in JV	
14620	PR	26-Jan-05	25-Jan-15	**10**	Fotadrevo	48	25% in JV	
14622	PR	26-Jan-05	25-Jan-15	**10**	Fotadrevo	64	25% in JV	
14623	PR	26-Jan-05	25-Jan-15	**10**	Ampanihy - Ianapera	112	39 - 100% 73 - 25% in JV	
16746	PR	09-Sep-05	08-Sep-15	**10**	Ampanihy - Ianapera	16	100%	
16747	PR	09-Sep-05	08-Sep-15	**10**	Ampanihy - Maniry	48	25% in JV	

NOTES

1) EUROMAD (1) & MAGRAMA (13) & SQNY (2) - Royalty and partial tenement fees payable to MDA. (renewal awaiting confirmation from BCMM)
2) EUROMAD - Royalty and partial tenement fees payable to MDA
3) EUROMAD (2 squares)- Royalty and partial tenement fees payable to MDA
4) Red Cat Option to acquire tenements subject to completion of IPO and residual payments due.
5) MAGRAMA - Royalty & Partial Tenement Fees Payable to MDA. (renewal awaiting confirmation from BCMM)
6) Renewal awaiting confirmation from BCMM
7) SQNY - Royalty and Partial Tenement Fees Payable to MDA.
8) Carres (3) LBD royalty to MAGRAMA - Carre (1) to EUROMAD. (renewal awaiting confirmation from BCMM)

Interest %

This column shows % interest in tenements held by MGY and the reference to the JV refers to Energizer Resources Inc of Canada Industrial Minerals JV.

APPENDIX 2: Tenement Schedule

MALAGASY MINERALS LIMITED GROUP

ABN 84 121 700 105

Title Number	Permit Type	Grant Date	Expiry Date	Term	Project Name	Total Carres (New - 0.391km2)	Interest %	Notes
16749	PR	09-Sep-05	08-Sep-15	**10**	Ampanihy - Maniry	16	100%	
16750	PR	09-Sep-05	08-Sep-15	**10**	Ampanihy - Maniry	32	100%	
16753	PR	09-Sep-05	08-Sep-15	**10**	Ampanihy - Maniry	48	4 - 100% 44 - 25% in JV	
18915	PR	10-Mar-06	09-Mar-16	**10**	Anjeba (Antinimora/Jafaro)	112	100%	
18916	PR	23-Feb-06	22-Feb-16	**10**	Anjeba (Antinimora/Jafaro)	32	100%	
19003	PR	23-Feb-06	22-Feb-16	**10**	Ampanihy - Maniry	16	25% in JV	
19851	PR	04-Feb-05	03-Feb-15	**10**	Fotadrevo	32	25% in JV	
19932	**PE**	10-Mar-06	09-Mar-46	**40**	Ampanihy - Maniry	112	102 - 100% 10 - 25% in JV	5
19933	**PE**	10-Mar-06	09-Mar-46	**40**	Ampanihy - Maniry	16	100%	5
19934	PR	26-Jan-05	25-Jan-15	**10**	Fotadrevo	16	25% in JV	
19935	PR	26-Jan-05	25-Jan-15	**10**	Fotadrevo	16	25% in JV	
21059	PR	14-Sep-07	13-Sep-12	**5**	Ampanihy - Maniry	16	25% in JV	6
21060	PR	30-Oct-06	29-Oct-11	**5**	Ampanihy - Maniry	16	3 - 100% 13 - 25% in JV	6
21061	PR	30-Oct-06	29-Oct-11	**5**	Ampanihy - Maniry	16	25% in JV	6
21062	PR	03-Oct-07	02-Oct-12	**5**	Ampanihy-Maniry	32	4 - 100% 28 - 25% in JV	6
21063	PR	30-Oct-06	29-Oct-11	**5**	Ampanihy - Maniry	32	25% in JV	6
21064	PR	30-Oct-06	29-Oct-11	**5**	Ampanihy - Maniry	16	1 - 100% 15 - 25% in JV	6
24864	PR	08-May-07	07-May-12	**5**	Fotadrevo	48	25% in JV	6
25093	**PE**	18-Jan-07	17-Jan-47	**40**	Ampanihy - Ianapera	16	100%	7
25094	**PE**	18-Jan-07	17-Jan-47	**40**	Ampanihy - Ianapera	16	100%	7
25095	**PE**	18-Jan-07	17-Jan-47	**40**	Ampanihy - Maniry	48	100%	7
25605	PR	18-Jun-01	17-Jun-11	**10**	Ampanihy - Maniry	80	25% in JV	8
25606	PR	18-Jun-01	17-Jun-11	**10**	Ampanihy - Maniry	16	9 - 100% 7 - 25% in JV	5

NOTES

1) EUROMAD (1) & MAGRAMA (13) & SQNY (2) - Royalty and partial tenement fees payable to MDA. (renewal awaiting confirmation from BCMM)
2) EUROMAD - Royalty and partial tenement fees payable to MDA
3) EUROMAD (2 squares)- Royalty and partial tenement fees payable to MDA
4) Red Cat Option to acquire tenements subject to completion of IPO and residual payments due.
5) MAGRAMA - Royalty & Partial Tenement Fees Payable to MDA. (renewal awaiting confirmation from BCMM)
6) Renewal awaiting confirmation from BCMM
7) SQNY - Royalty and Partial Tenement Fees Payable to MDA.
8) Carres (3) LBD royalty to MAGRAMA - Carre (1) to EUROMAD. (renewal awaiting confirmation from BCMM)

Interest %

This column shows % interest in tenements held by MGY and the reference to the JV refers to Energizer Resources Inc of Canada Industrial Minerals JV.

APPENDIX 2: # Tenement Schedule

MALAGASY MINERALS LIMITED GROUP

ABN 84 121 700 105

Title Number	Permit Type	Grant Date	Expiry Date	Term	Project Name	Total Carres (New - 0.391km2)	Interest %	Notes
28340	PR	08-Jan-08	07-Jan-13	**5**	Fotadrevo	160	137 - 100% 23 - 25% in JV	
28341	PR	08-Jan-08	07-Jan-13	**5**	Ampanihy-Maniry	16	100%	
28345	PR	08-Jan-08	07-Jan-13	**5**	Ampanihy-Maniry	48	100%	
28346	PR	08-Jan-08	07-Jan-13	**5**	Ampanihy-Maniry	16	4 - 100% 12 - 25% in JV	
28347	PR	08-Jan-08	07-Jan-13	**5**	Fotadrevo	112	4 - 100% 108 - 25% in JV	
28348	PR	08-Jan-08	07-Jan-13	**5**	Fotadrevo	16	25% in JV	
28349	PR	08-Jan-08	07-Jan-13	**5**	Fotadrevo	16	25% in JV	
28352	PR	08-Jan-08	07-Jan-13	**5**	Fotadrevo	96	25% in JV	
28353	PR	08-Jan-08	07-Jan-13	**5**	Fotadrevo	96	47 - 100% 49 - 25% in JV	
29020	PR	12-Sep-08	25-Oct-12	**5**	Fotadrevo	32	20 - 100% 12 - 25% in JV	5
29082	PR	12-Sep-08	11-Sep-13	**5**	Tranomaro	224	100%	
29084	PR	14-Jul-08	13-Jul-13	**5**	Tranomaro	16	100%	
29085	PR	12-Sep-08	11-Sep-13	**5**	Tranomaro	144	100%	
31733	PR	11-Feb-09	10-Feb-14	**5**	Ampanihy-Maniry	16	100%	
31734	PR	11-Feb-09	10-Feb-14	**5**	Ampanihy-Maniry	16	25% in JV	
31735	PR	11-Feb-09	10-Feb-14	**5**	Ampanihy-Maniry	16	25% in JV	

NOTES

1) EUROMAD (1) & MAGRAMA (13) & SQNY (2) - Royalty and partial tenement fees payable to MDA. (renewal awaiting confirmation from BCMM)
2) EUROMAD - Royalty and partial tenement fees payable to MDA
3) EUROMAD (2 squares)- Royalty and partial tenement fees payable to MDA
4) Red Cat Option to acquire tenements subject to completion of IPO and residual payments due.
5) MAGRAMA - Royalty & Partial Tenement Fees Payable to MDA. (renewal awaiting confirmation from BCMM)
6) Renewal awaiting confirmation from BCMM
7) SQNY - Royalty and Partial Tenement Fees Payable to MDA.
8) Carres (3) LBD royalty to MAGRAMA - Carre (1) to EUROMAD. (renewal awaiting confirmation from BCMM)

Interest %

This column shows % interest in tenements held by MGY at the end of the quarter and the reference to the JV refers to Energizer Resources Inc of Canada Industrial Minerals JV.

Acquisition and disposal of tenements

(1) No tenements were acquired or disposed of during the quarter.
(2) No beneficial interests in farm-in or farm-out agreements were acquired or disposed of during the quarter.

Rule 5.3

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

MALAGASY MINERALS LIMITED

ABN	Quarter ended ("current quarter")
84 121 700 105	31 MARCH 2014

Consolidated statement of cash flows

		Current quarter $A'000	Year to date (9 Months) $A'000
	Cash flows related to operating activities		
1.1	Receipts from product sales and related debtors	23	64
1.2	Payments for (a) exploration & evaluation	(72)	(337)
	(b) development	-	-
	(c) production	-	-
	(d) administration (net)	(145)	(337)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	3	9
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (TVA recoverable)	-	-
	Net Operating Cash Flows	**(191)**	**(601)**
	Cash flows related to investing activities		
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments (deferred)	(14)	(42)
	(c) other fixed assets	-	(3)
1.9	Proceeds from sale of:		
	(a) prospects	-	-
	(b) equity investments	296	1,039
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other	-	-
	Net investing cash flows	**282**	**994**
1.13	Total operating and investing cash flows (carried forward)	91	393

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	**91**	**393**
	Cash flows related to financing activities		
1.14	Net Proceeds from issues of shares, options, etc	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	**-**	**-**
	Net increase (decrease) in cash held	**91**	**393**
1.20	Cash at beginning of quarter/year to date	712	410
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	**Cash at end of quarter**	**803**	**803**

Payments to directors of the entity and associates of the directors & Payments to related entities of the entity and associates of the related entities.

		Current quarter $A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	47
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

	$A'000
Directors Fees and superannuation	5
Exploration management services	17
Company secretarial, accounting & administration services	25
	47

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

Financing facilities available

Add notes as necessary for an understanding of the position.		Amount available $A'000	Amount used $A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

+ See chapter 19 for defined terms.

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	(350)
4.2	Development	-
4.3	Production	-
4.4	Administration (Net)	(195)
	Total	**(545)**

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A'000	Previous quarter $A'000
5.1	Cash on hand and at bank	**303**	**712**
5.2	Deposits at call	**500**	**-**
5.3	Bank overdraft	**-**	**-**
5.4	Other (provide details)	**-**	**-**
	Total: cash at end of quarter (item 1.22)	**803**	**712**

Changes in interests in mining tenements

		Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed		Refer to Covering Quarterly Activity Report attached hereto		
6.2	Interests in mining tenements acquired or increased		Refer to Covering Quarterly Activity Report attached hereto		

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	**Preference +securities**	Nil	Nil	-	-
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3	**+Ordinary securities**	**158,812,504**	**158,812,504**	Various	Fully Paid
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	Nil	Nil	Nil	Nil
7.5	**+Convertible debt securities**	Nil	Nil	-	-

+ See chapter 19 for defined terms.

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	-	-	-	-
7.7	**Options** *Unlisted*	7,500,000 375,000 375,000 375,000 500,000	- - - - -	15c Options 30c Options 40c Options 50c Options 15c Options	Expiry: 31/11/2016 Expiry: 30/09/2015 Expiry: 31/12/2015 Expiry: 31/03/2016 Expiry: 31/11/2016
7.8	Issued during quarter	-	-	-	-
7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	-	-	-	-
7.11	**Debentures** *(totals only)*	Nil	Nil		
7.12	**Unsecured notes** *(totals only)*	Nil	Nil		

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).

2 This statement does give a true and fair view of the matters disclosed.

Sign here: (Company Secretary) Date: 30th April 2014
Print name: Graeme R Boden

Notes

1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 Issued and quoted securities**.** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities*.*

4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.

5 Accounting Standards. ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.