MALAGASY MINERALS LIMITED
ABN 84 121 700 105

15 June 2009 **ASX Announcement** **ASX: MGY**

MALAGASY MINERALS SIGNS DEAL WITH KIRK PETROPHYSICS

Malagasy Minerals Ltd (ASX Code: MGY) is pleased to announce that, through a wholly-owned subsidiary based in Madagascar, it has entered into a commercial lease agreement with London-based Kirk Petrophysics (“Kirk”) to assist its provision of contract services in respect of the (Total) Bemolanga tar sands project in Madagascar, operated by French energy group Total.

Main entrance to Malagasy Minerals offices in Antananarivo Madagascar

Kirk will initially lease just over 1,000 square metres of premises within the company’s compound in Antananarivo. Under this arrangement, Kirk will undertake substantive renovations to the buildings and related infrastructure, prior to commencing core handling and analytical services for Total.

Renovations and laboratory construction are underway and the laboratory is expected to be operational by August 2009.

The Bemolanga project is located in central-western Madagascar, however many of the core processing and analysis requirements are to be completed in Antananarivo. Kirk has been

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contracted to undertake these works for the initial phase of the project and its decision to base its operations out of the Malagasy Minerals complex is a positive development for the company, and confirms the strategic significance of our operations base.

PROPERTY

Through its wholly-owned subsidiary Saint Denis Holdings SARL, Malagasy Minerals controls a 19,000 square metre commercial and residential property in the capital of Madagascar.

The complex houses drilling equipment and workshop facilities, as well as providing the base for an independent world industry standard commercial mineral sample preparation facility and the offices and residences of Malagasy Minerals and its executive management. The site is located in a prime location in Antananarivo, the capital of Madagascar, being adjacent to both the offices of the Ministry of Mines and the national Tenements Office.

The agreement with Kirk constitutes the latest in a series of third-party agreements that have allowed the company to make good progress in its endeavors to add value to the site, increase cash flow income and enhance the overall scope and quality of mining- related services in Madagascar. This in turn has enhanced the commercial position of Malagasy Minerals and its ability to develop a positive cash flow to assist in funding its ongoing exploration projects in Madagascar.

Yours sincerely

Steven Goertz
Managing Director

cc: Directors