MATERIAL CHANGE REPORT
FORM 51-102F3

Item 1 - Reporting Issuer

Malaga Inc. ("**Malaga**")
2000, McGill College
Suite 510
Montréal, Québec H3A 3H3

Item 2 - Date of Material Change

November 9, 2012.

Item 3 - Press Release

A press release was issued on November 9, 2012 through Marketwire. A copy of the press release is attached hereto as Schedule A and was filed with regulatory authorities in the Provinces of British Columbia, Alberta, Ontario and Québec.

Item 4 - Summary of Material Change

Malaga announced that it has suspended mining operations at its Pasto Bueno tungsten mine and put the mine on care and maintenance.

Item 5 - Full Description of Material Change

Please see attached press release for the full description of the material change.

Item 6 - Confidentiality of information

This report is not being filed on a confidential basis.

Item 7 - Omitted Information

Not applicable.

Item 8 - Executive Officer

Mr. Pierre Monet, President and Chief Executive Officer
Tel: (514) 288-3224

Item 9 - Date of Report

November 12, 2012.

PRESS RELEASE

2012
Malaga Inc. (malaga)
Symbol: **MLG (TSX) and MLGAF (OTCQX)**
Toronto Stock Exchange (TSX)

Update on Mining Operations

Montréal, Québec – November 9, 2012 – Malaga Inc. ("Malaga" or the "Corporation") announces that it has suspended mining operations at its Pasto Bueno tungsten mine putting the mine on care and maintenance. Malaga had previously announced, on October 22, 2012, that its tungsten process plant had been put in care and maintenance due to the accident which caused the power outage at Pasto Bueno (see press release – October 22). During this period, adequate security measures of the plant and mine site have been put in place and will continue up to the restart of both the plant and mine.

Suspension of mining operations is one of the measures implemented by Malaga to reduce its costs and preserve cash. The Corporation is still working to secure financing to resume mine and plant operations and pursue its objectives related to mine development and production.

In addition, Malaga is currently in negotiations to monetize all the copper by-product by the end of the current year and also intends to monetize other assets.

"We intend to return to full production once we secure the necessary financing and will also review the mine development plan to improve operational efficiency" said Pierre Monet, President and CEO. "We continue to work closely with our stakeholders to mitigate the consequences of suspending our mining operations".

Malaga also announces that repairs to its hydro-electric line are underway; materials have been purchased and transportation of equipment to site is planned. Repair should be completed by the end of November.

Forward-looking Statement

This news release contains certain forward-looking statements or forward looking-information. These forward looking statements are subject to a variety of risks and uncertainties beyond the Corporation's ability to control or predict which could cause actual events or results to differ materially from those anticipated in such forward looking statements. Such risks and uncertainties are disclosed under the heading "Risk Factors" in the Corporation's Annual Information Form for the year ended December 31, 2011 and dated March 27, 2012. Further, forward-looking information is in addition based on various assumptions, including, without limitation, the expectation and beliefs of management, the assumed long term price of tungsten, that the Pasto Bueno property is a technical viable and economic operation and that the

Corporation can access financing. Should one or more of these risks and uncertainties materialize, or should the underlying assumption prove incorrect or different, actual results may vary materially from those described in the forward-looking statements. The information provided reflects management's current expectations regarding future events and performance as of the date of this news release. Accordingly, readers should not place undue reliance on forward-looking statements.

For more information, please contact:

Nicole Blanchard
Corporate Strategy and Investor Relations
Sun International Communications
Telephone: 450-973-6600