



MOZAMBI
R E S O U R C E S

ASX ANNOUNCEMENT

By e-lodgement

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MOZAMBIQUE GRAPHITE LICENSES PROGRESS TOWARDS GRANTING; DESKTOP STUDIES UNDERWAY

Highlights

- All conditions precedent to granting of two graphite licences in Mozambique that Mozambi holds an option over have been met
- License 6142L is contiguous with Triton Mineral's Nicanda Hill Project & 5km north of Syrah Resource's Balama Project
- Works program to commence as soon as possible after the granting of licenses

Introduction

Mozambi Resources Limited (ASX: MOZ, **Mozambi, Company**) is pleased to announce that the Company has been advised by the current owner of licenses 6140L & 6142L, that all conditions precedent to granting of these licenses have been met. As a result, Mozambi Resources has engaged with the necessary parties to commence the works program immediately following the granting of the licenses. Both of the license applications are subject to an option where Mozambi Resources can acquire 100% of the licences and are located in the graphite rich Balama-Montepuez region of Mozambique.

These licenses are in close proximity to existing world class graphite and vanadium deposits held by ASX listed entities Triton Minerals Ltd and Syrah Resources Ltd. Recent exploration results 30 km to the north of Licence 6142 by Metals of Africa highlight the prospective nature of the wider Balama-Montepuez region of Mozambique.

Location

Over the last few years several world-class flake graphite deposits have been identified within the mobile belt with the largest of these deposits in the Cabo

Delgado region where the two tenements acquired by Mozambi are located. The major deposits within the Cabo Delgado region include:

Syrah Resources (ASX: SYR) Balama Deposit 1.15 Bt @ 10.2% graphitic carbon and 0.23 % V_2O_5 ⁱ

Triton Resources (ASX: TON) Nicanda Hill Deposit 1.457 Bt @ 10.7% graphitic carbon and 0.27% V_2O_5 ⁱⁱ

License 6142L is contiguous with Triton Minerals Nicanda Hill Project. A map of the tenement location is shown in Figure 1. According to Triton Minerals, Nicanda Hill is the largest known graphite-vanadium deposit in the world.

Syrah's mining concession for the Balama Project is also approximately 5km to the south of 6142L. A mining license has recently been granted for this project.

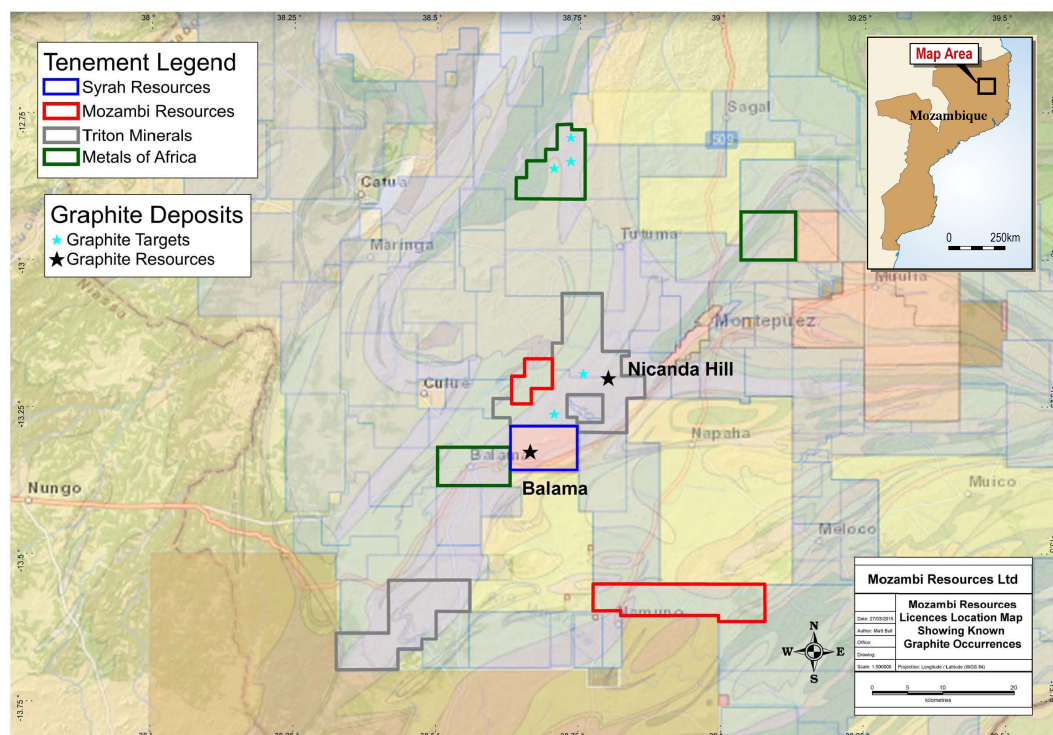


Figure 1 Map of the Project Area

The Company is also very excited about the potential of License 6140L, as this area is largely underexplored.

Geology

The underlying geology of the tenements are high grade metamorphic rocks of the Mozambique mobile belt which stretches from Mozambique in the south to the red sea in the north marking a continent scale suture. The belt comprises

rocks that have undergone intense deformation, and as a result contains high-grade metamorphic rocks up to granulite level.

Where the initial host rock contained carbon, this is typically converted into graphite at this metamorphic grade during the metamorphic process and there are widespread graphite occurrences throughout the belt. Several areas within the mobile belt are known to host large tonnage graphite deposits, typically with a relatively high proportion of larger flakes sizes. The deposits that have been identified to date are primarily in Mozambique and Tanzania to the north.

The Next Step

Mozambi are currently working with geologists based in Mozambique and Australia and carrying out desktop studies on the tenements under application. Post granting, Mozambi will carry out fieldwork as listed below:

- Trenching
- Rock Chip Sampling
- Mapping
- Potentially Ground Geophysical Surveys
- Drilling Program

This fieldwork will be aimed at accessing the potential that license area 6142L contains a continuation of the same stratigraphic unit hosting the Balama and Nicanda Hill graphite Resources.

Work at defining targets on license area 6140L will occur concurrently and the Company hopes to identify priority targets that will then be drill tested in order to define JORC compliant mineral Resources.

Conclusion

Mozambi Resources look forward to confirming grant of both applications in the near future. The Board remains very enthusiastic about the market opportunity in the use of graphite product and its applications, in particular given the high grade of graphite that has been tested to date in Mozambique.

For and on behalf of Mozambi Resources Limited



Alan Armstrong
Mozambi Resources Ltd
Executive Director

Competent Person

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Matt Bull, a Competent Person who is a member of Australian Institute of Geoscientists. Mr Bull is a consultant to Mozambi Resources. Mr Bull has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Matt Bull consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

ⁱ <http://www.syrahresources.com.au/OurBusiness/OurProjects/BalamaMozambique.aspx>

ⁱⁱ *ASX Announcement (ASX:TON) 21 October 2014 – "Nicanda Hill Maiden JORC Resource"*