



**MOZAMBI**  
R E S O U R C E S

## ASX ANNOUNCEMENT

By e-lodgement

22 June 2015

### THREE TENEMENTS PROCEED TO GRANT ON THE NACHINGWEA GRAPHITE PROJECT

#### Highlights.

- **Mozambi Resources has received an offer to grant a mineral right from the Tanzanian Ministry of Energy and Minerals on three key tenements that make up the Nachingwea Graphite Project**
- **Recognisance mapping continues to identify wide zones of graphitic schist on the Nachingwea project.**
- **Priority target has outcropping width of 180m with a strike length of approximately 1000m**
- **Planning for next stage of exploration which will include trenching and rock chip assays is now underway on the priority targets.**

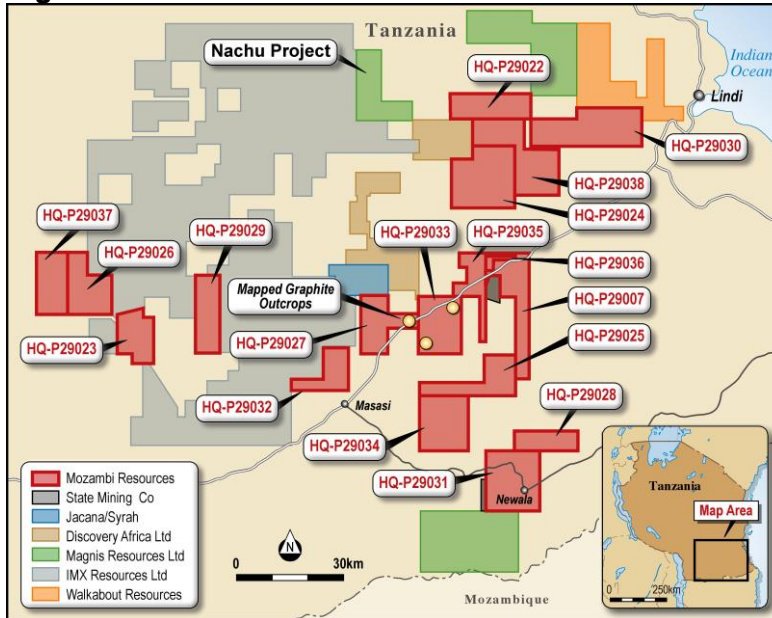
#### Introduction

Mozambi Resources Limited (ASX: MOZ, “**Mozambi**”, “**The Company**”) is pleased to announce that three key tenements on the Nachingwea Project have progressed with an offer to grant received from the Tanzanian Ministry of Energy and Minerals. The three tenements include the targets identified in the initial recognisance mapping. Further mapping has continued to identify additional outcrops on the two primary graphite targets defined on the project to date. Multiple other areas of sub-cropping graphite schist have been identified on the first two tenements explored, these zones will require trenching to define the true width of the units. In addition outcrops of graphitic schist ranging between 20-30m thick were mapped approximately 1km to the west of the third tenement striking north east towards the third tenement where an offer to grant has been received. Thick vegetation and soil cover made it difficult to locate a continuation of the mineralised unit on the tenement. The Nachingwea Graphite Project is located within the Mozambique Mobile Belt a sequence of high grade metamorphic sediments that is host to a number of world class graphite deposits near the town of Balama in Mozambique. More recently several large graphite flake deposits have been identified in the Nachingwea region of the belt by Magnis Resources and IMX Resources. A summary of the field mapping conducted by Mozambi on the first three tenements granted on the project to date is given below.

## Location

As per **Figure 1** below, the tenements subject to the option agreement are all located in this key emerging graphite province. Of particular note, several are in close proximity to the Nachu Project (outlined above) and others border strategic licenses held by the State Mining Corporation of Tanzania.

**Figure 1**



## HQ-P 29033

Mapping of the metamorphic rock units especially meta-sediments in the tenement HQ-P 29033 identified four possible different strike lines of graphite schist mapped in the bedded and layered metamorphic rocks units. The visible width of graphite schist observed ranges between 1.5 meters – 15 meters, however one target had an outcropping width of **180m with a strike length of approximately 1000m**. Generally, the strike of graphite schist is 290° - 300° (NW-SE) dipping to the northeast. The other rocks types observed in the tenement were quartz-biotite gneiss, quartzite, pegmatite, and felsic schist. **Figures 2a** and **2b** show the outcropping graphite schist on HQ-P 29033. Due to the thick vegetation at the end of the wet season only limited outcrop is visible and additional outcrops are expected to be identified as the dry season progresses.



**Figure 2a**



**Figure 2b**



### HQ-P 29027

Mapping of the metamorphic rock units especially meta-sediments in the tenement HQ-P 29027 was conducted near the village of Mkalapa. On the tenement graphite schist outcrops were mapped with the strike of graphite schist typically in the range of  $205^{\circ}$  -  $230^{\circ}$  (NE-SW) dipping northwest. It is not possible to see the continuation of the graphite schist outcropping due to heavy vegetation, this means it's not possible to estimate the strike length of graphite schist. The visible width of the graphite schist is approximately 40 to 50 meters. Typical examples of the outcrop are shown in **Figures 3a** and **3b** below. Other rock units observed were quartz-biotite gneiss, quartzite, and felsic schist.

**Figure 3a**



**Figure 3b**



### HQ-P 29031

Mapped areas on HQ-P 29031 are covered by recent sediments and soils with limited exposures of the underlying basement geology that host the graphite deposits in the region. However approximately 1km to the west of the tenement the field team located a 20-30m thick unit of graphite schist with a strike north east towards the tenement. Photos of the outcrop are shown in **Figure 4a** and **4b**. The location of this outcrop in relation to the tenement is shown in **Figure 5**. Further mapping of the area later in the dry season is planned to see if the mineralised unit continues onto HQ-P 29031. The company is considering whether either ground or airborne geophysical surveys may also be used to define drill targets on this tenement to see through the cover of recent sediments and soils.



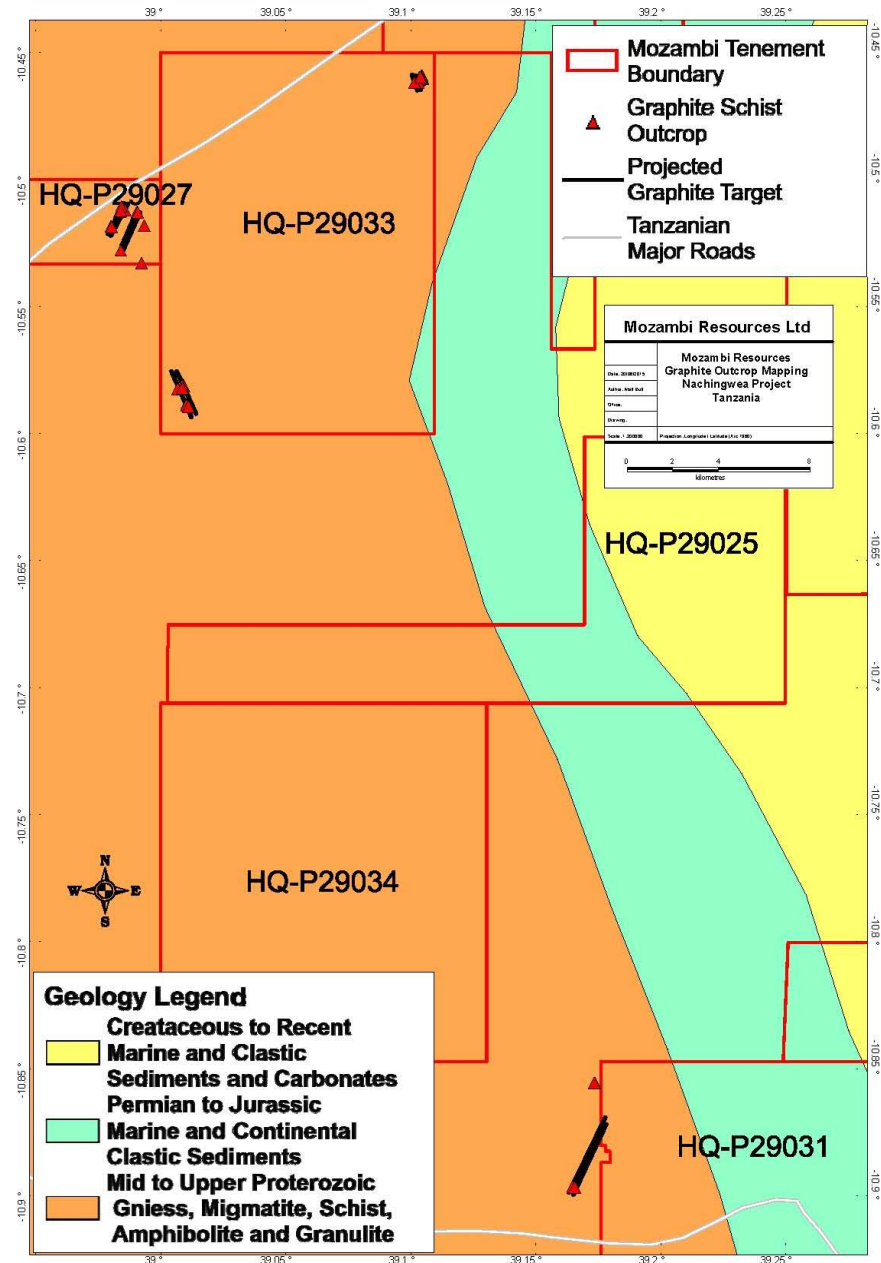
**Figure 4a**



**Figure 4b**

A map showing the location of the graphite outcrops identified to date on HQ-P29027, HQ-P29033 and HQ-P29031 is shown in **Figure 5** with the graphite bearing schist units on these tenements forming low ridges that are expected to continue under cover of more recent sediments and soils. The outcrops identified on HQ-P29033 and HQ-P29027 identified to date are open along strike with several km's of potential strike length within the project boundary.

**Figure 5**



## **Nachingwea Project Details**

Three of the 18 tenements that make up the Nachingwea Graphite Project have progressed to grant with a notice of a grant for a mineral right being received by the vendors of the project from the Ministry of Energy and Minerals and with the remaining 15 currently under application with the Tanzanian Ministry of Energy and Minerals. The vendors are progressing the tenements to grant on behalf of Mozambi Resources pursuant to the Term Sheet to acquire ownership of the Nachingwea Project.

Granting of additional tenements is anticipated in the near future.

The tenements are located in the south east corner of Tanzania within the Mozambique Mobile Belt of metamorphic rocks. Ten of the tenements are located in the Lindi Province with the remaining eight being located in the Mtwara Province bordering Mozambique. Over the last few years numerous occurrences of Graphite have been identified within the mobile belt which stretches from Mozambique through to Northern Tanzania with the largest of these deposits occurring in the Cabo Delgado region of Mozambique. More recently significant deposits have been located around the township of Nachingwea in South Eastern Tanzania with areas of large flake size graphite schist being identified by Magnis Resources, IMX Resources and Discovery Africa, which surround the tenements acquired by Mozambi Resources. The largest Resource identified to date in the region is the Nachu Deposit which has a JORC compliant Resource of 156Mt @ 5.2% Total Graphitic Carbon<sup>1</sup>. The Deposit is held by ASX listed entity Magnis Resources Ltd (ASX: MNS) who have recently completed a favourable pre-feasibility study on the project and has also arranged off-take agreements and Mine Financing.

## **Geology**

The underlying geology of the project area is composed of high-grade metamorphic rocks of the Mozambique Mobile Belt, which in this region are typically quartz-feldspar gneisses and schists with darker bands of biotite. Within the Southern Lindi and Mtwara Provinces there are widespread occurrences of outcropping Graphite, which has typically grades in the range of 5-10% Graphitic Carbon. Mozambi Resources is targeting stratigraphic units within the project area that contain coarse flake graphite within a feldspar rich schist. This unit typically forms low ridges with shallow tertiary and quaternary sediments covering the basement rocks between the ridges.

## **The Next Step**

Work has begun to begin a trenching and rock chip sampling program to follow up on the encouraging initial results in particular HQ-P29033 and HQ-P29027. The fieldwork will be aimed at confirming the grade and thickness of the identified outcrops with the goal of defining wide zones of coarse graphite schist for drill testing. The company will continue mapping later in the dry season when the vegetation cover is not as thick to allow a more thorough analysis of the tenement package.

Once priority targets are identified the company plans to conduct a more detailed exploration program that will include;

- Geological Mapping.
- Potentially Ground Geophysical Surveys.
- Drilling.
- JORC Resource definition.

## Conclusion

In summary, the Board of Mozambi Resources is extremely pleased with initial progress of the project with results confirming the presence of wide zones of graphitic carbon on the Nachingwea Graphite Project. The board looks forward to the beginning the next phase of exploration of the targets identified to date.

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 Director of 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.

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<sup>i</sup> ASX Announcement (ASX:MNS) 26 November 2014 – “Nachu Graphite Project Maiden Mineral Resource”