



MOZAMBI
R E S O U R C E S

ASX ANNOUNCEMENT

By e-lodgement

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TWO TENEMENTS GRANTED ON THE NACHINGWEA GRAPHITE PROJECT

Highlights.

- **Two Key Tenements on the Nachingwea Graphite Project have now been granted by the Tanzanian Ministry of Energy and Minerals.**
- **A field crew is now mobilised to site and is expected to commence trenching and rock chip assays of the targets previously identified by recognisance mapping in the coming week.**
- **Priority target has outcropping width of 180m with a strike length of approximately 1,000m.**
- **Drilling planned before the commencement of the wet season.**

Introduction

Mozambi Resources Limited (ASX: MOZ, “**Mozambi**”, “**the Company**”) is pleased to announce that two key tenements on the Nachingwea Project have now been granted by the Tanzanian Ministry of Energy and Minerals. The two tenements include the targets identified in the initial recognisance mapping. Multiple areas of outcropping and sub-cropping graphite schist have been identified on the first two tenements named PL 10644 and PL 10643 (previously named HQ-P 29033 and HQ-P 29027 respectively). Several of these targets have been selected for trenching to determine the width and grade of the mineralisation.

Further mapping will be continued on the third tenement that the Company has identified as a high priority (application HQ-P29031) where 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.

After completion of the trenching, Mozambi expects to be in a position to drill test several of the targets before the end of the year.

Commenting on the granting, Executive Director Mr Alan Armstrong said, “this is a major step forward for our company. We currently have men on the ground testing the quality of the known visible graphite schist and identifying the highest priority drill targets. With granting of these licenses we are now free to drill these licenses at our discretion, as part of the process towards defining our maiden JORC resource”.

Location

As per **Figure 1**, 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 below) and others border strategic licenses held by the State Mining Corporation of Tanzania. A summary of the two granted tenements are outlined below.

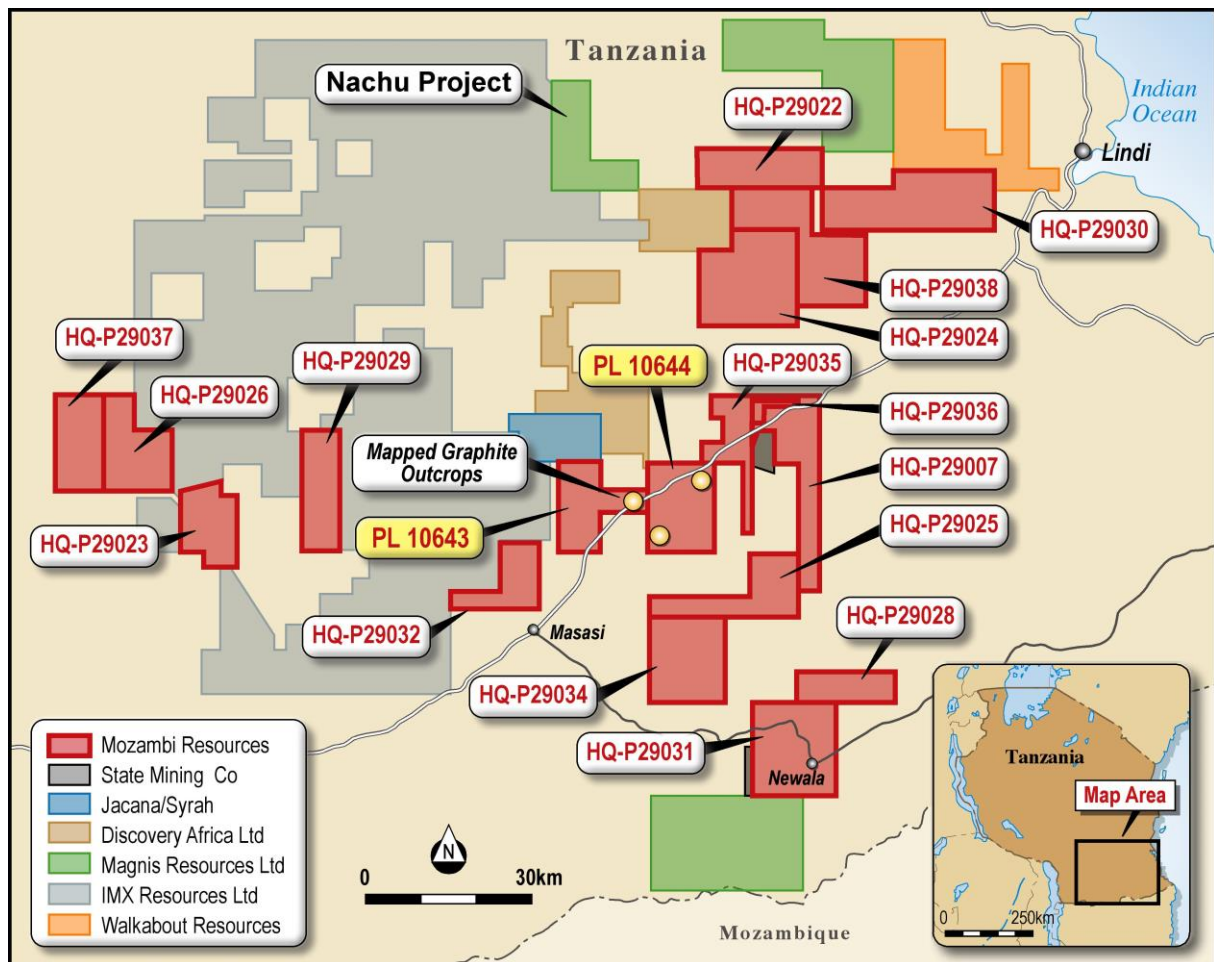


Figure 1

PL 10644

Mapping of the metamorphic rock units especially meta-sediments in the tenement PL 10644 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 1,000m**. Generally, the strike of graphite schist is $290^{\circ} - 300^{\circ}$ (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 PL 10644. 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

PL 10643

Mapping of the metamorphic rock units especially meta-sediments in the tenement PL 10643 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° - 230° (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

Field Crew Mobilisation

A team of geologists and field assistants is now mobilised to site and is expected to commence trenching and rock chip sampling to follow up on the encouraging initial results on both the granted tenements. 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 later in the year. In addition Mozambi will also continue geological mapping of the remaining 16 tenements to locate additional exploration targets. The planned program includes;

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

Nachingwea Project Details

Two (2) of the eighteen (18) tenements that make up the Nachingwea Graphite Project have now been granted by the Ministry of Energy and Minerals and with the remaining sixteen (16) 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 Carbonⁱ. 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.

Conclusion

In summary, the Board of Mozambi is extremely pleased to be in a position to commence field activities soon after the Term Sheet to acquire the applications was signed. The Company now anticipates being in a position to drill test several priority graphite targets before the commencement of the Tanzanian wet season later this year.

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.

ⁱ ASX Announcement (ASX:MNS) 26 November 2014 – "Nachu Graphite Project Maiden Mineral Resource"