



MOZAMBI
R E S O U R C E S

ASX ANNOUNCEMENT

By e-lodgement

30 July 2015

Rights Issue – Shortfall Notice

Mozambi Resources Limited (ASX: MOZ) (“**Mozambi**” or “the **Company**”) refers to its non-renounceable pro-rata Rights Issue of one (1) new share for every four (4) shares held on the Record Date at an issue price of 1.2 cents (\$0.12) per share. Each two (2) new shares successfully subscribed will be issued together with one (1) free attaching MOZO option, having an exercise price of \$0.02 and expiry date of 31 December 2017, to raise up to approximately \$926,000 before the costs of the issue.

This notice is given in accordance with Appendix 7A of the ASX Listing Rules.

The Directors advise that the Rights Issue closed on 28 April 2015.

Mozambi received valid acceptances for 50,925,771 new shares and 25,462,886 free attaching options (MOZO).

The total shortfall under the Rights Issue was 26,235,798 new shares and 13,117,899 free attaching options (Shortfall). All Shortfall will be allocated to Alignment Capital in accordance with the terms of the mandate arrangement. Alignment Capital have advised the Company that there is strong demand for the Shortfall, whereby it is expected that such will be allocated within the coming week.

The allotment and issue of new shares and options to accepting shareholders will occur on or about 5 August 2015. Holding statements for the new shares and options will be despatched shortly thereafter.

Net proceeds from the Rights Issue will be applied as described in the prospectus lodged with ASX on 24 June 2015.

The Directors of the Company would like to express their thanks for the support provided by participants in the capital raising.

If you have any queries concerning the Rights Issue, or the action you are required to take to subscribe for New Shares and Options, please contact your financial adviser or Adrien Wing, Chairman and Company Secretary of Mozambi, on +61 3 9614 0600.

For and on behalf of Mozambi Resources Limited

Adrien Wing
Mozambi Resources Ltd
Chairman and Company Secretary

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

Mozambi Resources Limited

ABN

28 106 353 253

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|--|
| 1 | +Class of +securities issued or to be issued | <div style="margin-bottom: 10px;">(a) Ordinary fully paid shares (MOZ)</div> <div>(b) Listed Options (MOZO)</div> |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | <div style="margin-bottom: 10px;">(a) 50,925,771</div> <div>(b) 25,462,886</div> |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | <div style="margin-bottom: 10px;">(a) Shares - same as existing upon issue</div> <div>(b) Options - exercise price of 2 cents (\$0.02) and expiry date of 31 December 2017</div> |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>(a) Shares - Yes</p> <p>(b) Options – Yes</p>
<p>5 Issue price or consideration</p>	<p>(a) Shares issued at \$0.012 per share</p> <p>(b) Options are free attaching</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Funds raised by the Rights Issue will be used, as detailed in Section 2 of the Company's Offer Document dated 24 June 2015.</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the +securities the subject of this Appendix 3B</i>, and comply with section 6i</p>	<p>Yes</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>27 November 2014</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>Nil</p>
<p>6d Number of +securities issued with security holder approval under rule 7.1A</p>	<p>Nil</p>

+ See chapter 19 for defined terms.

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)							
6f	Number of securities issued under an exception in rule 7.2	(a) 50,925,771 shares (b) 25,462,886 options						
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	N/a						
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/a						
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Refer to Annexure 1 below						
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	5 August 2015						
8	Number and +class of all +securities quoted on ASX (including the securities in section 2 if applicable)	<table><tr><th>Number</th><th>+Class</th></tr><tr><td>359,571,192</td><td>Ordinary Shares</td></tr><tr><td>179,962,885</td><td>Options \$0.02 expiring on or before 31 December 2017 (MOZO)</td></tr></table>	Number	+Class	359,571,192	Ordinary Shares	179,962,885	Options \$0.02 expiring on or before 31 December 2017 (MOZO)
Number	+Class							
359,571,192	Ordinary Shares							
179,962,885	Options \$0.02 expiring on or before 31 December 2017 (MOZO)							

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Appendix 3B
New issue announcement

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the securities in section 2 if applicable)	15,000,000	Options exercisable at \$0.02 (2 cents) on or before 31 December 2017 (Related Party Options)
	2,200,000	Options exercisable at \$0.25 (25 cents) on or before 30 November 2016
	475,000	Options exercisable at \$0.25 (25 cents) on or before 2 August 2016
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Unchanged	

Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required?	No
12 Is the issue renounceable or non-renounceable?	Non renounceable
13 Ratio in which the +securities will be offered	1 share for every 4 share held at the record date, and 1 free attaching option for every 2 shares issued
14 +Class of +securities to which the offer relates	Ordinary shares and MOZO options
15 +Record date to determine entitlements	30 June 2015
16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Yes
17 Policy for deciding entitlements in relation to fractions	Rounded up
18 Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	UK, Hong Kong, Republic of Singapore, USA, Commonwealth of Bahamas

+ See chapter 19 for defined terms.

19	Closing date for receipt of acceptances or renunciations	28 July 2015
20	Names of any underwriters	Nil
21	Amount of any underwriting fee or commission	N/a
22	Names of any brokers to the issue	Alignment Capital Pty Ltd [ACN 053 868 410] [AFSL 288877]
23	Fee or commission payable to the broker to the issue	<p>(a) an broking fee of 6% of the offer. The broker reserves the right to pass on some, or all, of the broking fee to nominees; and</p> <p>(b) a success fee of 1%.</p> <p>The Company has also agreed to issue to the broker (or its nominee/s) up to 22,000,000 options (MOZO) subject to shareholder approval.</p>
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	N/a
25	If the issue is contingent on +security holders' approval, the date of the meeting	N/a
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	3 July 2015
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	24 June 2015
28	Date rights trading will begin (if applicable)	N/a
29	Date rights trading will end (if applicable)	N/a
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	N/a

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

- 31 How do +security holders sell *part* of their entitlements through a broker and accept for the balance? N/a
- 32 How do +security holders dispose of their entitlements (except by sale through a broker)? N/a
- 33 +Despatch date 5 August 2015

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
(*tick one*)
- (a) ☒ Securities described in Part 1
- (b) ☐ All other securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 ☒ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

To be provided after completion of rights issue
- 36 ☒ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

To be provided after completion of rights issue
- 37 ☐ A copy of any trust deed for the additional +securities

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Entities that have ticked box 34(b)

38	Number of securities for which +quotation is sought					
39	Class of +securities for which quotation is sought					
40	<p>Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 					
41	<p>Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another security, clearly identify that other security)</p>					
42	Number and +class of all +securities quoted on ASX (including the securities in clause 38)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%; padding: 5px;">Number</th> <th style="width: 50%; padding: 5px;">+Class</th> </tr> </thead> <tbody> <tr> <td style="height: 80px;"></td> <td></td> </tr> </tbody> </table>	Number	+Class		
Number	+Class					

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.

+ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: Date: 30 July 2015
(Director/Company secretary)

Print name: Adrien Wing

+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	212,541,987
Add the following: <ul style="list-style-type: none"> Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval Number of partly paid +ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> Include only ordinary securities here – other classes of equity securities cannot be added Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed It may be useful to set out issues of securities on different dates as separate line items 	103,925,769
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	-
“A”	316,467,756

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	47,470,163
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of ⁺equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> Under an exception in rule 7.2 Under rule 7.1A With security holder approval under rule 7.1 or rule 7.4 <p>Note:</p> <ul style="list-style-type: none"> <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<ul style="list-style-type: none"> 2,000,000 options issued per Appendix 3B dated 25 February 2015 2,500,000 shares issued per Appendix 3B dated 25 February 2015 5,881,868 shares issued per Appendix 3B dated 21 April 2015 20,000,000 options issued per Appendix 3B dated 21 April 2015 1,000,000 options issued per Appendix 3B dated 15 May 2015 588,235 shares issued per Appendix 3B dated 15 May 2015 3,300,000 shares issued per Appendix 3B dated 28 May 2015 4,279,134 shares issued per Appendix 3B dated 16 June 2015
“C”	39,549,237
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	47,470,163
<p>Subtract “C”</p> <p><i>Note: number must be same as shown in</i></p>	39,549,237

+ See chapter 19 for defined terms.

<i>Step 3</i>	
Total ["A" x 0.15] – "C"	7,920,926 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	316,467,756
Step 2: Calculate 10% of “A”	
“D” <i>Note: this value cannot be changed</i>	0.10
Multiply “A” by 0.10	31,646,776
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of ⁺ equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: <ul style="list-style-type: none"> • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained • It may be useful to set out issues of securities on different dates as separate line items 	<ul style="list-style-type: none"> • 26,554,199 shares issued per Appendix 3B dated 16 June 2015
“E”	26,554,199

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	31,646,776
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	26,554,199
Total [“A” x 0.10] – “E”	5,092,577 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.