



# MOZAMBI

R E S O U R C E S

## ASX ANNOUNCEMENT

By e-lodgement

13 August 2015

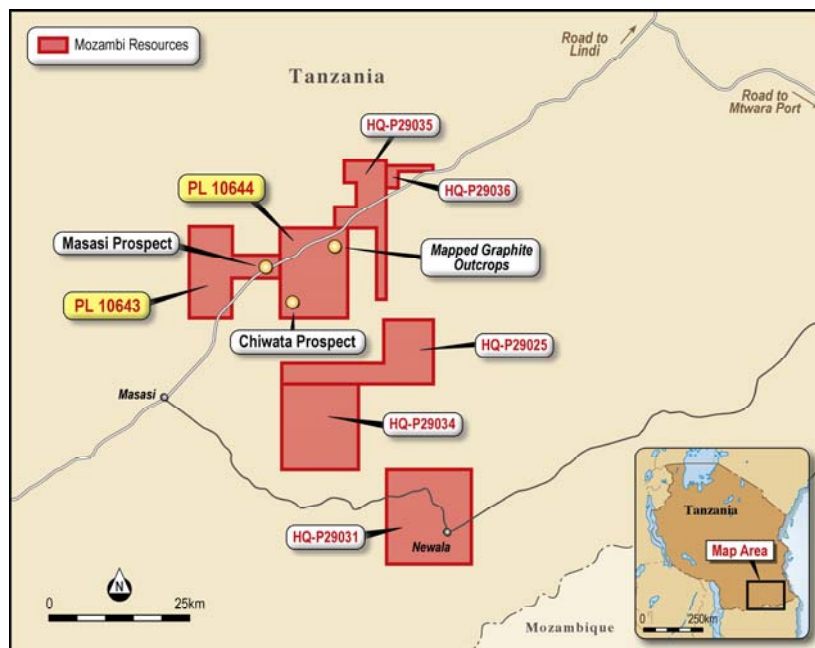
### PRELIMINARY RESULTS SHOW HIGH GRADE, JUMBO FLAKE SIZE GRAPHITE

#### Highlights

- Mozambi Resources has received flake size results from 3 rock chip samples sent to SGS South Africa for Analysis
- 25-36% by weight has a flake size greater than 300 micron classified as Jumbo Flake
- 80-90% by weight has a flake size greater than 150 micron classified as Medium/Large or Jumbo
- Total graphitic carbon grades ranging from 7.2-9.1%
- With circa \$2,000,000 in funds, Mozambi Resources well placed to fund Exploration Program

#### Introduction

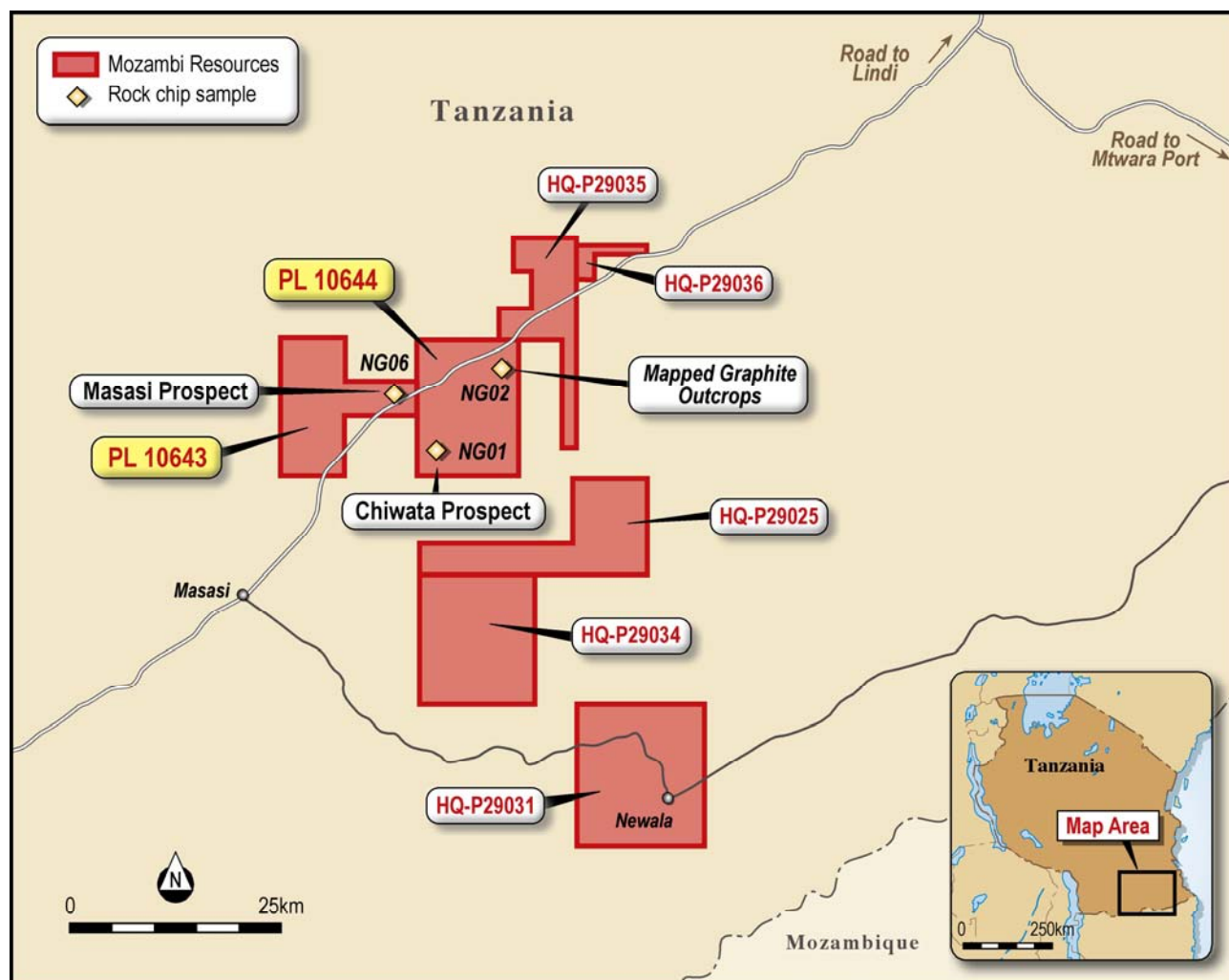
Mozambi Resources Limited (ASX: MOZ, “**Mozambi**”, “**the Company**”) tested 3 graphite samples collected from the Nachingwea project to gauge the flake size of outcropping graphite schist mineralisation. The goal of the sampling was to assist with the decision to proceed with the option to buy the Nachingwea Project, by confirming the coarse nature of the graphite mineralisation within the project area. This was achieved by obtaining flake size results across multiple outcropping exploration targets. Further flake size analysis has been carried out as part of the trenching program, with results still outstanding and will be conducted as part of the upcoming drilling program, where flake size distribution from fresh graphite mineralisation will be obtained. These fresh samples are more likely to be closer to the flake size results that can be achieved during the mining process.



**Figure 1 Map of the Nachingwea Project**

## Results

Each of the three samples came from different exploration targets where outcropping graphite schist was identified within the Nachingwea Project area. The locations where the samples were taken from are shown in **Figure 2**.



**Figure 2** Location of Graphite Schist Samples

The samples were assayed for total graphitic carbon and returned grades in the 7-9% range similar to what was expected from initial visual estimation. The results of this sampling is shown in **Table 1** below:

Sample Number	Total Graphitic Carbon
NG01	7.9%
NG02	7.2%
NG06	9.1%

**Table 1** Total Graphitic Carbon Grade

The samples were also tested for the flake size distribution of the graphite particles. The results of the analysis showed between 25.5% and 36.2% of the graphite occurs as +300 microns and can be classified as jumbo flake. The samples typically had a low proportion of fine graphite flake sizes smaller than 150 microns. Further testing in particular from fresh diamond core graphite samples is required to confirm the distribution of flake size that can be achieved from a potential mining operation.

Classification	Sieve Size		% Weight Distribution		
	Microns	Mesh	NG01	NG02	NG06
Jumbo	+300	+50	36.2	25.5	28.1
Medium to Large	+150-300	+100, -50	56.0	59.0	50.2
Fine	-150	-100	7.7	15.5	21.6

**Table 2** Flake Size Classification of Graphite Schist Samples

Commenting on the results, Managing Director Mr Alan Armstrong said, “These results are extremely positive and justify further exploration across multiple areas. Whilst these results are only early stage, to be seeing grades and flake size of this calibre, gives us confidence we could replicate grades achieved by Magnis Resources (ASX:MNS) at their Nachu Project approximately 60km to the north of us (JORC 156Mt @ 5.2% TGC)<sup>i</sup>. With \$2,000,000 in funding, we hope our fully funded drilling program later this year, will show similar results and prove uniformity from observed graphite outcropping to considerable depths”.

#### Corporate

Mozambi Resources is encouraged by the preliminary results showing coarse flake graphite mineralisation occurring at surface outcrops across a wide area of the Nachingwea Project. The Company looks forward to the upcoming drilling program to confirm the grade and thickness of the identified mineralisation.

For and on behalf of Mozambi Resources Limited



**Alan Armstrong**  
**Mozambi Resources Ltd**  
 Managing 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.

<sup>i</sup> ASX Announcement (ASX:MNS) 16 July 2015 – “Magnis Resources Corporate Presentation”

# JORC Code, 2012 Edition

## Table 1



### Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <li>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<ul style="list-style-type: none"> <li>Sampling was carried out by taking 5-8kg samples from graphitic schist outcrop. One sample was taken from four separate exploration targets. The samples were visually accessed to be representative of the outcropping graphitic schist. However at they were taken from outcrops with limited exposure it is not known how representative of the overall mineralized unit they are. This will be confirmed by more extensive sampling.</li> </ul>
Drilling techniques	<ul style="list-style-type: none"> <li>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</li> </ul>	<ul style="list-style-type: none"> <li>No drilling has been undertaken</li> </ul>
Drill sample recovery	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul>	<ul style="list-style-type: none"> <li>No drilling has been undertaken</li> </ul>
Logging	<ul style="list-style-type: none"> <li>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>Logging was carried out on each of the samples including lithology, amount of weathering and an estimate of flake size. The results will not be used in a mineral resource estimate and were taken to get a guide to the grade and flake size distribution of the outcropping mineralization prior to more extensive sampling taking place.</li> </ul>

# JORC Code, 2012 Edition

## Table 1



Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> <li>• If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>• If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>• For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>• Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>• Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>• Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>• Samples were rock chip samples, representative samples of the outcrop were taken based on visual estimation. The sample sizes are deemed appropriate for the grain size of the material.</li> </ul>
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> <li>• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>• For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</li> <li>• Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</li> </ul>	<ul style="list-style-type: none"> <li>• The samples were sent to Mwanza in Tanzania for sample preparation before being sent to South Africa for analysis which included sizing using SGS's sieving procedure SCR52 and Assay of the size fractions produced for Total Graphitic Carbon (TGC) using the method GRAP_CSA05V LECO Total Carbon</li> <li>• Size fractions used were the standard industry sizes for determining graphite flake size.</li> <li>• The TGC analysis has been carried out by an industry accepted and recognized laboratory - SGS</li> <li>• TGC is the most appropriate method of Analysis for graphitic carbon.</li> <li>• SGS inserted its standards and blanks.</li> <li>• No duplicated or standards were inserted by the company.</li> </ul>
Verification of sampling and assaying	<ul style="list-style-type: none"> <li>• The verification of significant intersections by either independent or alternative company personnel.</li> <li>• The use of twinned holes.</li> <li>• Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>• Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>• Data was recorded by the sampling geologist and stored in the company's master spreadsheet. The samples were transported to the SGS Lab in Mwanza for initial preparation before SGS transported for Assay at their lab in Johannesburg, South Africa.</li> </ul>
Location of data points	<ul style="list-style-type: none"> <li>• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>• Specification of the grid system used.</li> <li>• Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>• A hand-held GPS was used to identify the position of all samples (xy horizontal error of 5 metres) and reported using ARC 1960 grid and UTM datum zone 37 south.</li> </ul>

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## Table 1



Criteria	JORC Code explanation	Commentary
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <li>• <i>Data spacing for reporting of Exploration Results.</i></li> <li>• <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i></li> <li>• <i>Whether sample compositing has been applied.</i></li> </ul>	No compositing has been undertaken.
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> <li>• <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li> <li>• <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i></li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>
<i>Sample security</i>	<ul style="list-style-type: none"> <li>• <i>The measures taken to ensure sample security.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Transportation occurred using the company's vehicle to Dar Es Salam.</li> <li>• Samples were then transported to SGS Lab in Mwanza where they were inspected prior to submission to the laboratory.</li> <li>• Transport to South Africa was undertaken under the supervision of SGS</li> </ul>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li>• <i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<ul style="list-style-type: none"> <li>• No audits or reviews have yet been undertaken</li> </ul>



# JORC Code, 2012 Edition

## Table 1



### Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <li>• <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i></li> <li>• <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The prospecting license PL10643 and PL10644 were both granted on the 9th of July 2015 for a period of four years for the exploration of Graphite. The area covered by the prospecting licenses is 168.14 154.53km<sup>2</sup> and 198.02km<sup>2</sup> respectively. PL10643 is situated in the Nachingwea, Ruangwa and Masasi, districts while the PL10644 License is situated in the Ruangwa and Masasi districts. Both PL's Straddle the boundary of the Lindi and Mtwara regions of south-east Tanzania.</li> <li>• The PL's are held by Nachi Resources Ltd. and is subject to an option agreement for Mozambi resources to acquire 100% of the issued capital of Nachi Resources. The surface area is administered by the Government as native title. The area is rural, with wilderness areas and subsistence farming occurring on the PL. The Tenements are subject to a 3% royalty on production to the previous owners of Nachi Resources if the option is exercised. There are no other known issues that may affect the tenure.</li> </ul>
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <li>• <i>Acknowledgment and appraisal of exploration by other parties.</i></li> </ul>	<ul style="list-style-type: none"> <li>• There is no written record of previous exploration available for this area known to Mozambi Resources, The location of some graphite outcrops on the PL's was known by the previous owners.</li> </ul>
<i>Geology</i>	<ul style="list-style-type: none"> <li>• <i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The exploration targets occur in the basement rocks of the Mozambique belt system which principally comprise metamorphic rocks ranging from schist to gneisses including marbles, amphibolites, graphitic schist, mica and kyanite schist, acid gneisses, hornblende, biotite and garnet gneisses, quartzites, granulites, and pegmatite veins. Initial exploration has focused on areas where there no overlying younger sedimentary sequences remaining.</li> </ul>

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## Table 1



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Criteria	JORC Code explanation	Commentary
<i>Drill hole Information</i>	<ul style="list-style-type: none"> <li>• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> <li>○ easting and northing of the drill hole collar</li> <li>○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>○ dip and azimuth of the hole</li> <li>○ down hole length and interception depth</li> <li>○ hole length.</li> </ul> </li> <li>• If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <li>• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>• Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>• The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> <li>• These relationships are particularly important in the reporting of Exploration Results.</li> <li>• If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>• If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</li> </ul>	<ul style="list-style-type: none"> <li>• The width of mineralization is not yet known. This will be confirmed by further pitting trenching and or drilling in the future.</li> </ul>



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## Table 1



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Criteria	JORC Code explanation	Commentary
<i>Diagrams</i>	<ul style="list-style-type: none"> <li>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <li>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>
<i>Further work</i>	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>Exploration is at an early stage further work planned includes completion of the current trenches, additional of more trenches along strike, electro-magnetic and possible IP ground geophysical surveys, rock chip sampling and drill testing.</li> <li>Figure 2 shows the location of each of the samples taken.</li> </ul>