



MOZAMBI
R E S O U R C E S

ASX ANNOUNCEMENT

By e-lodgement

7 September 2015

CHIWATA PROSPECT STRIKE LENGTH EXTENDED TO 4KM AND REMAINS OPEN

Highlights:

- **Strike length of the Chiwata Prospect extended to 4km**
- **Geological Mapping and Ground Magnetic Survey completed**
- **Ground EM and Airborne EM Survey contracted to start mid-September**
- **A Chiwata project assay result previously reported confirmed the presence of Jumbo flake graphite with a grade of 7.9% total graphitic carbon.**
- **Contracts from drilling companies currently being evaluated**
- **First tenement review provides outstanding results with six more highly prospective tenement applications to be tested**
- **Only 1% of the tenement package explored with mapping and geophysics**

Introduction

Mozambi Resources Ltd (ASX: MOZ, “**Mozambi**”, “**the Company**”) has now completed geological mapping over the Chiwata Prospect. The mapping has shown that graphite mineralisation continues for at least 4 kilometres and remains open along strike.

An ongoing program of pitting has also helped to confirm the extended strike length of mineralisation as there is limited outcrop in much of the surveyed area. The first results of this program are anticipated to be returned later this week. A ground magnetic survey has highlighted multiple additional targets with outcropping graphite mineralisation outside of the known 4 kilometres of strike length. These additional targets are currently being followed up with further analysis. A ground EM survey covering the 4 km zone of mapped graphite schist is due to commence in mid September. The results of this survey will be used to target the drilling program planned for later this year. As announced by the Company on the 13th August 2015, the **Chiwata project rock chip assay result confirmed the presence of Jumbo flake graphite with a total graphitic carbon grade of 7.9%**. Further assay results are expected imminently.

Commenting on the results Managing Director Alan Armstrong said “The Chiwata Prospect is starting to materialise and initial exploration indicate a significant increase in potential. To have increased the strike length to over 4km and see that it remains open is extremely exciting. We anticipate further studies over the coming months will give us greater clarity of the true length of mineralisation and a greater understanding of the deposit as a whole”.

Geological Mapping

Geological mapping carried out in a 12km² area surrounding the Chiwata prospect has highlighted numerous zones of outcropping graphite schist mineralisation. Importantly this has extended the known strike length to 4km in length from the previously mapped 1km as shown in **Figure 1**. The average dip of the mineralisation is in the range of 5-15 degrees and an estimated true width likely to be 10-20m. Drilling is required to confirm all of these mapped feature. The shallow dip of mineralisation suggests that down dip mineralisation could be located at relatively low strip ratios if its presence is confirmed by drilling. Mapping also showed the graphite schist mineralisation is generally of a coarse flake size. The mapping also identified several previously unknown areas of mineralisation in particular in the south-eastern corner of the mapped area. Again the mineralisation in this area was mapped as flat lying sequence of coarse flake graphite schist. Pitting north of the known mineralisation has also intersected graphite mineralisation which is outside of the mapped area.

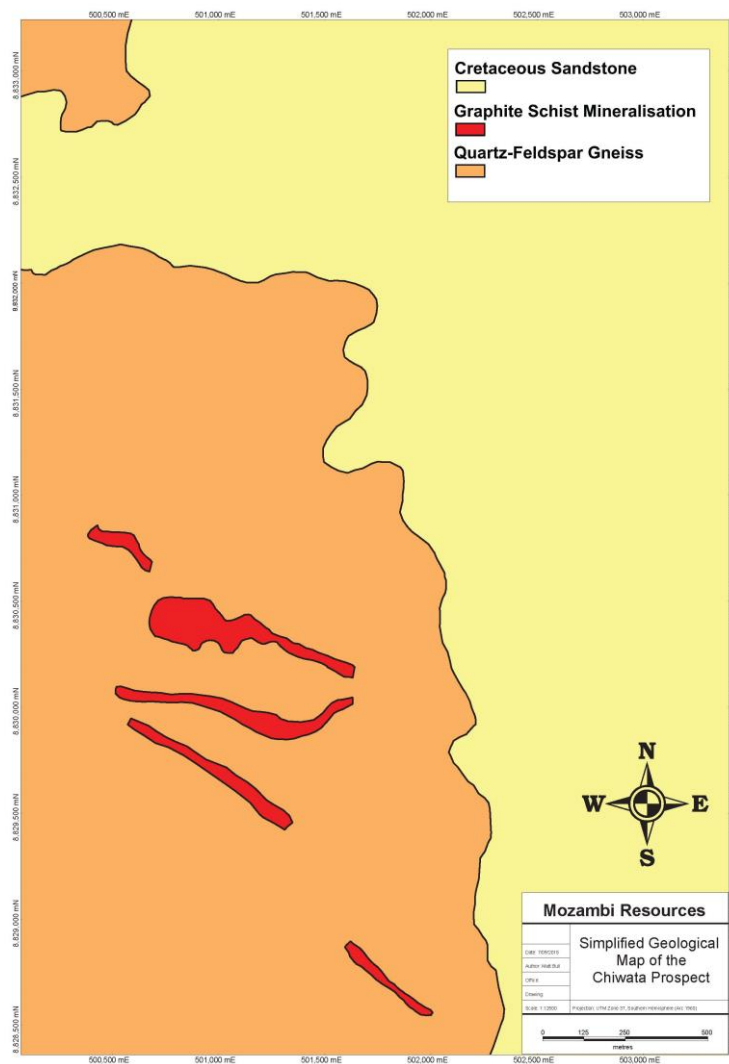


Figure 1 Simplified Geological Map of the Chiwata Project Area

Pitting and Trenching Program

A program of digging pits beneath the soil profile to expose and sample the fresh rock remains ongoing, with the first assay results from this program expected to be returned by the end of the week. This ongoing sampling program will follow up on the previously announced assays that indicated a graphite grade of 5-10% total graphite carbon. Generally the samples taken from the two trenches were taken in the saprolite horizon and as a result are expected to have an average grade lower than the underlying fresh graphitic schist. This is due to the impracticality of digging trenches to fresh rock past 3-4m depth, however both trenches showed wide zones of mineralised graphite as previously reported. Completing pits to the mineralised area down to 5-6m has been found to be a more effective way of reaching fresh samples to confirm the graphite grade prior to drilling commencing. The assay results of this program are still outstanding however the location of the graphite mineralisation identified in the pits is shown in **Figure 2** below. It is noted several areas to the north are outside areas of mapped graphite mineralisation and have the potential to add to the known strike length.

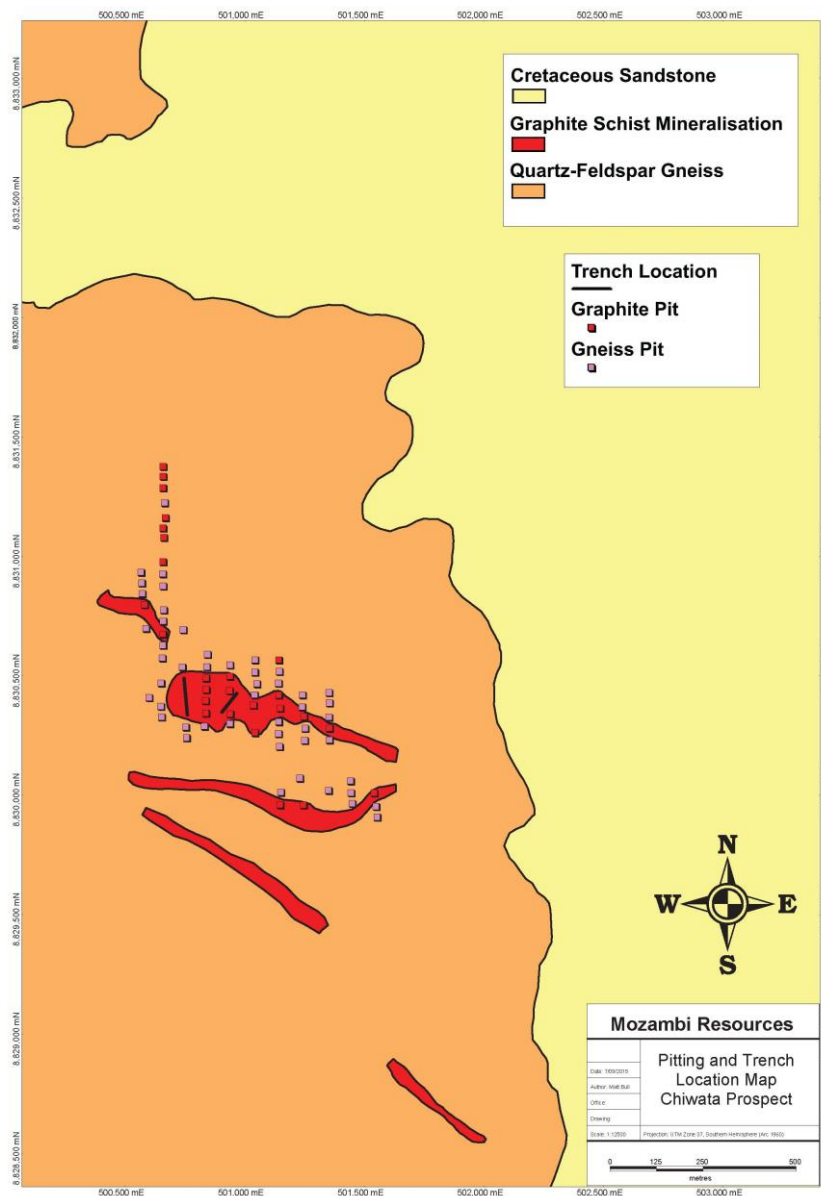


Figure 2 Chiwata Prospect Pitting and Trenching results to date

Ground Geophysical Surveys

The Company has completed a ground magnetic survey covering 12km² over the Chiwata prospect area. The results are shown in **Figure 3**. The survey has revealed a series of north-west trending structures and the central portion of the prospect area exploiting a relatively complex folding including the main area of mineralisation identified to date at Chiwata. This appears to be reflected in the results of the geological mapping and pitting. A follow up Ground EM survey is planned and will occur perpendicular to the main North West trend identified in the survey and should highlight higher-grade zones of graphite mineralisation for priority drill testing.

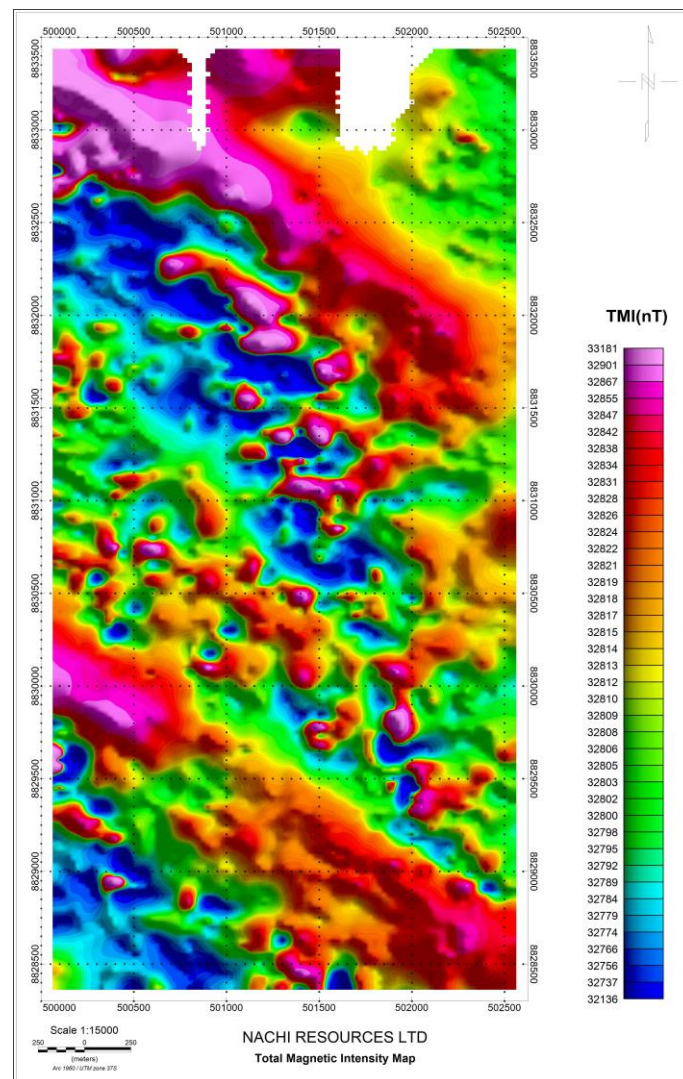


Figure 3 Total Magnetic Intensity Image of the Chiwata Prospect Area Showing high magnetic Intensity in purple and lower in blue

Drilling Timing

Mozambi is currently in the process of evaluating drilling contracts in order to commence a 2000-3000m drilling program by early October. This program will be the first conducted by the Company in Tanzania and is anticipated to give us the necessary data to identify a JORC compliant Resource estimate at Chiwata.

Project Summary

The project area is located in the south east of Tanzania as shown in **Figure 4**, which is becoming a significant new province for large tonnage, coarse flake graphite deposits with a number of JORC compliant resources now announced by graphite explorers in the region. The Nachingwea project is located approximately 60km South of ASX listed Magnis Resources's Nachu Project (ASX: MNS). Graphite mineralisation in the province typically occurs in as stratigraphic layers of graphitic schist within a package of high pressure/temperature metamorphic rocks that make up the Mozambique Mobile Belt. The southern extension of the belt that stretches into Mozambique has also produced significant graphite deposits where both Triton Minerals and Syrah Resources have identified graphite deposits of over 1 billion tonnes. A list of the graphite projects that have publically released JORC compliant resources in the region is provided below:

Company	Magnis Resources Ltd	Kibaran Resources Ltd	IMX Resources Ltd
Project	Nachu Project ⁱ	Epanko Project ⁱⁱ	Chilalo Project ⁱⁱⁱ
JORC Resource	156 million tonnes @ 5.2% graphitic carbon	23.3 million tonnes @ 9.4% graphitic carbo	7.4 million tonnes @ 10.7% graphitic carbo

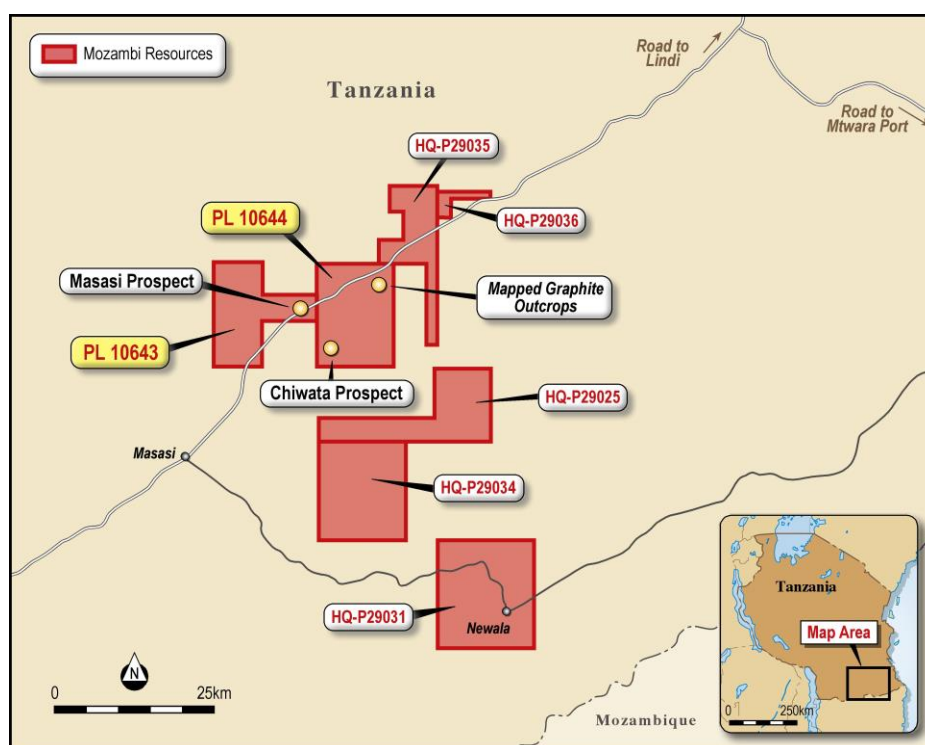


Figure 4 Location of the Nachingwea Project

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.

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

ⁱⁱ ASX Announcement (ASX:KNL) 11 June 2015 – “Epanko Mineral Resource Upgrade”

ⁱⁱⁱ ASX Announcement (ASX:IXR) 7 April 2015 – “Maiden Resource Highlights Strong Production Potential for Chilalo Graphite Project”