



NOTICE OF GENERAL MEETING

Including Explanatory Memorandum and Proxy Forms

MOZAMBI RESOURCES LIMITED

ACN 106 353 253

Date:	22 October 2015
Time:	10.00 am (Melbourne time)
Location:	The Institute of Chartered Accountants Level 3, 600 Bourke Street Melbourne, VIC 3000

This is an important document. It should be read in its entirety

If you are in doubts as to the course you should follow, please consult your financial or professional adviser.

MOZAMBI RESOURCES LIMITED
ACN 106 353 253

NOTICE OF GENERAL MEETING

Notice is given that the General Meeting of Mozambi Resources Limited (**the Company** or **MOZ**) will be held at The Institute of Chartered Accountants, Level 3, 600 Bourke Street, Melbourne, VIC 3000 on Thursday 22 October 2015 at 10.00 am (Melbourne time).

Further details in respect of each of the resolutions proposed in this Notice of General Meeting are set out in the Explanatory Memorandum accompanying this Notice of General Meeting. The details of the resolutions contained in the Explanatory Memorandum should be read together with, and form part of, this Notice of General Meeting.

BUSINESS OF THE MEETING

Resolution 1	Ratification of prior issue of shares – Nominees of Subiaco Capital
Description	To consider and, if thought fit, to pass the following as an ordinary resolution: <i>‘THAT for the purpose of ASX Listing Rule 7.4, shareholders ratify the prior issue of 10,750,000 ordinary fully paid shares to nominees of Subiaco Capital Pty Ltd [ACN 129 705 308] which is not a related party of the Company on the terms set out in the Explanatory Memorandum which accompanies and forms part of this Notice of General Meeting.’</i>
Voting Exclusion	The Company will disregard any votes cast on Resolution 1 by: <ul style="list-style-type: none">• persons who participated in the issue; or• any associates of those persons. However, the Company need not disregard a vote on Resolution 1 if: <ul style="list-style-type: none">• it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form;• it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.
Resolution 2	Ratification of prior issue of shares – Taylor Collison & Alignment Capital
Description	To consider and, if thought fit, to pass the following as an ordinary resolution: <i>‘THAT for the purpose of ASX Listing Rule 7.4, shareholders ratify the prior issue of 48,416,667 ordinary fully paid shares to the clients of Taylor Collison Limited [ACN 008 172 450] and Alignment Capital Pty Ltd [ACN 167 124 754] which are not a related parties of the Company on the terms set out in the Explanatory Memorandum which accompanies and forms part of this Notice of General Meeting.’</i>
Voting Exclusion	The Company will disregard any votes cast on Resolution 2 by: <ul style="list-style-type: none">• persons who participated in the issue; or• any associates of those persons. However, the Company need not disregard a vote on Resolution 2 if: <ul style="list-style-type: none">• it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form;• it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 3	Ratification of prior issue of options – Taylor Collison & Alignment Capital
Description	<p>To consider and, if thought fit, to pass the following as an ordinary resolution:</p> <p><i>"THAT for the purpose of ASX Listing Rule 7.4, shareholders ratify the prior issue of 24,208,333 listed [MOZO] options to acquire ordinary fully paid shares (each option having an exercise price of \$0.02 and expiry date of 31 December 2017) to clients of Taylor Collison Limited [ACN 008 172 450] and Alignment Capital Pty Ltd [ACN 167 124 754] who were investors who did not require disclosure under the requirements of Chapter 6D of the Corporations Act 2001 (Cth) and who were not related parties of the Company on the terms set out in the Explanatory Memorandum which accompanies and forms part of this Notice of General Meeting."</i></p>
Voting Exclusion	<p>The Company will disregard any votes cast on Resolution 3 by:</p> <ul style="list-style-type: none"> • persons who participated in the issue; or • any associates of those persons. <p>However, the Company need not disregard a vote on Resolution 3 if:</p> <ul style="list-style-type: none"> • it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; • it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.
Resolution 4	Approval for issue of shares – Legal Insite
Description	<p>To consider and, if thought fit, to pass the following as an ordinary resolution:</p> <p><i>"THAT for the purpose of ASX Listing Rule 7.1 shareholders approve the issue of 1,000,000 ordinary fully paid shares to Legal InSite Pty Ltd [ACN 153 049 711] trading as Legal InSite on the terms set out in the Explanatory Memorandum which accompanies and forms part of this Notice of General Meeting."</i></p>
Voting Exclusion	<p>The Company will disregard any votes cast on Resolution 4 by:</p> <ul style="list-style-type: none"> • a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary shares, if the resolution is passed; or • any associates of those persons. <p>However, the Company need not disregard a vote on Resolution 4 if:</p> <ul style="list-style-type: none"> • it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; • it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.
Resolution 5	Approval for issue of shares and options – Nominees of Subiaco Capital
Description	<p>To consider and, if thought fit, to pass the following as an ordinary resolution:</p> <p><i>"THAT for the purpose of ASX Listing Rule 7.1 shareholders approve the issue of 10,000,000 ordinary fully paid shares and 5,000,000 listed [MOZO] options to acquire ordinary fully paid shares (each option having an exercise price of \$0.02 and expiry date of 31 December 2017) to nominees of Subiaco Capital Pty Ltd [ACN 129 705 308] on the terms set out in the Explanatory Memorandum which accompanies and forms part of this Notice of General Meeting."</i></p>
Voting Exclusion	<p>The Company will disregard any votes cast on Resolution 5 by:</p> <ul style="list-style-type: none"> • a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary shares, if the resolution is passed; or • any associates of those persons. <p>However, the Company need not disregard a vote on Resolution 5 if:</p> <ul style="list-style-type: none"> • it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; • it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 6	Approval for issue of shares – Stocks Digital
Description	<p>To consider and, if thought fit, to pass the following as an ordinary resolution:</p> <p><i>"THAT for the purpose of ASX Listing Rule 7.1 shareholders approve the issue of 700,000 ordinary fully paid shares to S3 Consortium Pty Ltd [ACN 135 239 968] trading as Stocks Digital on the terms set out in the Explanatory Memorandum which accompanies and forms part of this Notice of General Meeting."</i></p>
Voting Exclusion	<p>The Company will disregard any votes cast on Resolution 6 by:</p> <ul style="list-style-type: none"> • a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary shares, if the resolution is passed; or • any associates of those persons. <p>However, the Company need not disregard a vote on Resolution 6 if:</p> <ul style="list-style-type: none"> • it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; • it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.
Resolution 7	Issue of shares and options to vendors of additional graphite tenements
Description	<p>To consider and, if thought fit, to pass the following as an ordinary resolution:</p> <p><i>"THAT for the purpose of ASX Listing Rule 7.1 shareholder approve the issue of 15,000,000 ordinary fully paid shares and 7,500,000 listed [MOZO] options to acquire ordinary fully paid shares (each option having an exercise price of \$0.02 and expiry date of 31 December 2017) to vendors of additional graphite tenements pursuant to a Terms Sheet which was the Company's ASX announcement dated 9 September 2015 on the terms set out in the Explanatory Memorandum which accompanies and forms part of this Notice of General Meeting."</i></p>
Voting Exclusion	<p>The Company will disregard any votes cast on Resolution 7 by:</p> <ul style="list-style-type: none"> • a person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary shares, if the resolution is passed; or • any associates of those persons. <p>However, the Company need not disregard a vote on Resolution 7 if:</p> <ul style="list-style-type: none"> • it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; • it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.
Resolution 8	Adoption of Performance Rights Plan
Description	<p>To consider and, if thought fit, to pass the following as an ordinary resolution:</p> <p><i>"That, for the purposes of Exception 9 in ASX Listing Rule 7.2 and for all other purposes including sections 259B(2) and 260C(4) of the Corporations Act 2001 (Cth) shareholders approve the Mozambi Resources Performance Rights Plan as described in the Explanatory Memorandum which accompanied and formed part of the Notice of General Meeting."</i></p>
Voting Exclusion	<p>The Company will disregard any votes cast on Resolution 8 by:</p> <ul style="list-style-type: none"> • a director of the Company (except one that is ineligible to participate in any employee incentive scheme in relation to the Company); and • an associate of that person. <p>However, the Company need not disregard a vote on Resolution 8 if:</p> <ul style="list-style-type: none"> • it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; • it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the decided.

Corporations Act Voting Restrictions – Key Management Personnel and their closely related parties	<p>In accordance with the Corporations Act 2001 (Cth), the Company will disregard any votes cast on Resolution 8 by proxies on behalf of a member of the Company's key management personnel within the meaning of the Corporations Act (including the Directors) or any of that person's closely related parties within the meaning of the Corporations Act (such as close family members and any controlled companies of those persons) (collectively referred to as "Restricted Voters"). However, the Company need not disregard a vote if it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on Resolution 8.</p> <p>The Chair of the Meeting may cast votes on Resolution 8 as a proxy where the written appointment of the Chair as proxy (which may include appointment of the Chair as a proxy by default in the absence of another person) does not specify how the proxy is to vote on Resolution 8 but expressly authorises the Chair to exercise the proxy if the resolution is connected directly or indirectly with the remuneration of a member of the Company's key management personnel.</p>
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Resolution 9	Issue of Performance Rights – Mr Matt Bull																
Description	<p>To consider and, if thought fit, to pass the following as an ordinary resolution:</p> <p><i>“That, subject to Resolution 8 being passed, for the purposes of ASX Listing Rule 10.14 shareholders approve the issue of a total of 3,000,000 Performance Rights pursuant to the Mozambi Resources Performance Rights Plan (each entitling the holder, upon satisfaction of the applicable Milestone to one fully paid ordinary share in the capital of the Company) to Mr Matt Bull (a Director of the Company) as set out in the table below:</i></p> <table><tr><th>Series</th><th>Milestone</th><th>Achieved</th><th>Number of Performance Rights</th></tr><tr><td>A</td><td>Market capitalisation of the Company of \$25 million or more.</td><td>Within 3 years of the issue date.</td><td>1 million</td></tr><tr><td>B</td><td>Market capitalisation of the Company of \$40 million or more.</td><td>Within 4 years of the issue date.</td><td>1 million</td></tr><tr><td>C</td><td>The Company successfully raising an aggregate of not less than \$5,000,000 for the purposes of development of the Tanzanian assets, working capital and other opportunities.</td><td>Within 3 years of the issue date.</td><td>1 million</td></tr></table> <p><i>as described in the Explanatory Memorandum which accompanied and formed part of the Notice of General Meeting.”</i></p>	Series	Milestone	Achieved	Number of Performance Rights	A	Market capitalisation of the Company of \$25 million or more.	Within 3 years of the issue date.	1 million	B	Market capitalisation of the Company of \$40 million or more.	Within 4 years of the issue date.	1 million	C	The Company successfully raising an aggregate of not less than \$5,000,000 for the purposes of development of the Tanzanian assets, working capital and other opportunities.	Within 3 years of the issue date.	1 million
Series	Milestone	Achieved	Number of Performance Rights														
A	Market capitalisation of the Company of \$25 million or more.	Within 3 years of the issue date.	1 million														
B	Market capitalisation of the Company of \$40 million or more.	Within 4 years of the issue date.	1 million														
C	The Company successfully raising an aggregate of not less than \$5,000,000 for the purposes of development of the Tanzanian assets, working capital and other opportunities.	Within 3 years of the issue date.	1 million														
Voting Exclusion	<p>The Company will disregard any votes cast on Resolution 9 by:</p> <ul style="list-style-type: none">• a director of the Company who is eligible to participate in the employee incentive scheme in respect of which the approval is sought; and• any associates of those persons. <p>However, the Company need not disregard a vote on Resolution 9 if:</p> <ul style="list-style-type: none">• it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form;• it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the decided.																
Corporations Act Voting Restrictions – Key Management Personnel and their closely related parties	<p><i>In accordance with the Corporations Act 2001 (Cth), the Company will disregard any votes cast on Resolution 9 by proxies on behalf of Restricted Voters. However, the Company need not disregard a vote it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on Resolution 9.</i></p> <p><i>The Chair of the Meeting may cast votes on Resolution 9 as a proxy where the written appointment of the Chair as proxy (which may include appointment of the Chair as a proxy by default in the absence of another person) does not specify how the proxy is to vote on Resolution 9 but expressly authorises the Chair to exercise the proxy if the resolution is connected directly or indirectly with the remuneration of a member of the Company’s key management personnel.</i></p>																

Resolution 10	Issue of Performance Rights – Mr Adrien Wing																
Description	<p>To consider and, if thought fit, to pass the following as an ordinary resolution:</p> <p><i>“That, subject to Resolution 8 being passed, for the purposes of ASX Listing Rule 10.14 shareholders approve the issue of a total of 3,000,000 Performance Rights pursuant to the Mozambi Resources Performance Rights Plan (each entitling the holder, upon satisfaction of the applicable Milestone to one fully paid ordinary share in the capital of the Company) to Mr Adrien Wing (a Director of the Company) as set out in the table below:</i></p> <table><tr><th>Series</th><th>Milestone</th><th>Achieved</th><th>Number of Performance Rights</th></tr><tr><td>A</td><td>Market capitalisation of the Company of \$25 million or more.</td><td>Within 3 years of the issue date.</td><td>1 million</td></tr><tr><td>B</td><td>Market capitalisation of the Company of \$40 million or more.</td><td>Within 4 years of the issue date.</td><td>1 million</td></tr><tr><td>C</td><td>The Company successfully raising an aggregate of not less than \$5,000,000 for the purposes of development of the Tanzanian assets, working capital and other opportunities.</td><td>Within 3 years of the issue date.</td><td>1 million</td></tr></table> <p><i>as described in the Explanatory Memorandum which accompanied and formed part of the Notice of General Meeting.”</i></p>	Series	Milestone	Achieved	Number of Performance Rights	A	Market capitalisation of the Company of \$25 million or more.	Within 3 years of the issue date.	1 million	B	Market capitalisation of the Company of \$40 million or more.	Within 4 years of the issue date.	1 million	C	The Company successfully raising an aggregate of not less than \$5,000,000 for the purposes of development of the Tanzanian assets, working capital and other opportunities.	Within 3 years of the issue date.	1 million
Series	Milestone	Achieved	Number of Performance Rights														
A	Market capitalisation of the Company of \$25 million or more.	Within 3 years of the issue date.	1 million														
B	Market capitalisation of the Company of \$40 million or more.	Within 4 years of the issue date.	1 million														
C	The Company successfully raising an aggregate of not less than \$5,000,000 for the purposes of development of the Tanzanian assets, working capital and other opportunities.	Within 3 years of the issue date.	1 million														
Voting Exclusion	<p>The Company will disregard any votes cast on Resolution 10 by:</p> <ul style="list-style-type: none">• a director of the Company who is eligible to participate in the employee incentive scheme in respect of which the approval is sought; and• an associate of that person. <p>However, the Company need not disregard a vote on Resolution 10 if:</p> <ul style="list-style-type: none">• it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form;• it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the decided.																
Corporations Act Voting Restrictions – Key Management Personnel and their closely related parties	<p><i>In accordance with the Corporations Act 2001 (Cth), the Company will disregard any votes cast on Resolution 10 by proxies on behalf of Restricted Voters. However, the Company need not disregard a vote it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on Resolution 10.</i></p> <p><i>The Chair of the Meeting may cast votes on Resolution 10 as a proxy where the written appointment of the Chair as proxy (which may include appointment of the Chair as a proxy by default in the absence of another person) does not specify how the proxy is to vote on Resolution 10 but expressly authorises the Chair to exercise the proxy if the resolution is connected directly or indirectly with the remuneration of a member of the Company’s key management personnel.</i></p>																

Resolution 11	Issue of Performance Rights – Mr Alan Armstrong																
Description	<p>To consider and, if thought fit, to pass the following as an ordinary resolution:</p> <p><i>“That, subject to Resolution 8 being passed, for the purposes of ASX Listing Rule 10.14 shareholders approve the issue of a total of 3,000,000 Performance Rights pursuant to the Mozambi Resources Performance Rights Plan (each entitling the holder, upon satisfaction of the applicable Milestone to one fully paid ordinary share in the capital of the Company) to Mr Alan Armstrong (a Director of the Company) as set out in the table below:</i></p> <table><tr><th>Series</th><th>Milestone</th><th>Achieved</th><th>Number of Performance Rights</th></tr><tr><td>A</td><td>Market capitalisation of the Company of \$25 million or more.</td><td>Within 3 years of the issue date.</td><td>1 million</td></tr><tr><td>B</td><td>Market capitalisation of the Company of \$40 million or more.</td><td>Within 4 years of the issue date.</td><td>1 million</td></tr><tr><td>C</td><td>The Company successfully raising an aggregate of not less than \$5,000,000 for the purposes of development of the Tanzanian assets, working capital and other opportunities.</td><td>Within 3 years of the issue date.</td><td>1 million</td></tr></table> <p><i>as described in the Explanatory Memorandum which accompanied and formed part of the Notice of General Meeting.”</i></p>	Series	Milestone	Achieved	Number of Performance Rights	A	Market capitalisation of the Company of \$25 million or more.	Within 3 years of the issue date.	1 million	B	Market capitalisation of the Company of \$40 million or more.	Within 4 years of the issue date.	1 million	C	The Company successfully raising an aggregate of not less than \$5,000,000 for the purposes of development of the Tanzanian assets, working capital and other opportunities.	Within 3 years of the issue date.	1 million
Series	Milestone	Achieved	Number of Performance Rights														
A	Market capitalisation of the Company of \$25 million or more.	Within 3 years of the issue date.	1 million														
B	Market capitalisation of the Company of \$40 million or more.	Within 4 years of the issue date.	1 million														
C	The Company successfully raising an aggregate of not less than \$5,000,000 for the purposes of development of the Tanzanian assets, working capital and other opportunities.	Within 3 years of the issue date.	1 million														
Voting Exclusion	<p>The Company will disregard any votes cast on Resolution 11 by:</p> <ul style="list-style-type: none">• a director of the Company who is eligible to participate in the employee incentive scheme in respect of which the approval is sought; and• an associates of that person. <p>However, the Company need not disregard a vote on Resolution 11 if:</p> <ul style="list-style-type: none">• it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form;• it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the decided.																
Corporations Act Voting Restrictions – Key Management Personnel and their closely related parties	<p><i>In accordance with the Corporations Act 2001 (Cth), the Company will disregard any votes cast on Resolution 11 by proxies on behalf of Restricted Voters. However, the Company need not disregard a vote it is cast by a person as a proxy appointed in writing that specifies how the proxy is to vote on Resolution 11.</i></p> <p><i>The Chair of the Meeting may cast votes on Resolution 11 as a proxy where the written appointment of the Chair as proxy (which may include appointment of the Chair as a proxy by default in the absence of another person) does not specify how the proxy is to vote on Resolution 11 but expressly authorises the Chair to exercise the proxy if the resolution is connected directly or indirectly with the remuneration of a member of the Company’s key management personnel.</i></p>																

Dated: 23 September 2015

By the order of the Board



Adrien Wing
Company Secretary

The accompanying Explanatory Memorandum and the Proxy and Voting Instructions form part of this Notice of General Meeting.

PROXY AND VOTING INSTRUCTIONS

PROXY INSTRUCTIONS

A member who is entitled to vote at a meeting may appoint:

- one proxy if the member is only entitled to one vote; and
- one or two proxies if the member is entitled to more than one vote.

Where more than one proxy is appointed each proxy may be appointed to represent a specific proportion of the member's voting rights. If the appointment does not specify the proportion or number of votes each proxy may exercise, each proxy may exercise half of the votes in which case any fraction of votes will be disregarded.

The proxy form (and the power of attorney or other authority, if any, under which the proxy form is signed) or a copy or facsimile which appears on its face to be an authentic copy of the proxy form (and the power of attorney or other authority) must be lodged at the registered office of the Company or sent by facsimile transmission to the Company's registered office on (03) 9614 0550 not less than 48 hours before the time for holding the Meeting, or adjourned meeting as the case may be, at which the individual named in the proxy form proposes to vote.

The proxy form must be signed by the member or his/her attorney duly authorised in writing or, if the member is a corporation, in a manner permitted by the Corporations Act. A proxy given by a foreign corporation must be executed in accordance with the laws of that corporation's place of incorporation.

The proxy may, but need not, be a member of the Company.

A proxy form is attached to this Notice of General Meeting.

CORPORATE REPRESENTATIVES

Any corporation which is a member of the Company may authorise (by certificate under common seal or other form of execution authorised by the laws of that corporation's place of incorporation, or in any other manner satisfactory to the chairperson of the Meeting) a natural person to act as its representative at any general meeting.

VOTING ENTITLEMENT

For the purposes of the Corporations Act and Corporations Regulations shareholders entered on the Company's Register of Members as at 5.00 pm on 21 October 2015 (Melbourne Time) are entitled to attend and vote at the meeting.

On a poll, members have one vote for every fully paid ordinary share held. Holders of options are not entitled to vote.

Subject to the restriction set out above, the Chair of the meeting will vote undirected proxies in favour of all of the proposed resolutions.

HOW THE CHAIR WILL VOTE UNDIRECTED PROXIES

The Chair intends to vote undirected proxies in favour of all resolutions. Note that the Chair of the Meeting may only cast undirected proxies on Resolutions 8, 9, 10 and 11 as a proxy where the written appointment of the Chair as proxy (which may include appointment of the Chair as a proxy by default in the absence of another person) expressly authorises the Chair to exercise the proxy if the resolution is connected directly or indirectly with the remuneration of a member of the Company's key management personnel.

Subject to the restrictions set out above, the Chair of the meeting will vote undirected proxies in favour of all of the proposed resolutions.

MOZAMBI RESOURCES LIMITED
ACN 106 353 253
("the Company")

GENERAL MEETING

EXPLANATORY MEMORANDUM

PURPOSE OF INFORMATION

This Explanatory Memorandum ("**this Memorandum**") accompanies and forms part of the Company's Notice of General Meeting to be held at The Institute of Chartered Accountants, Level 3, 600 Bourke Street, Melbourne, Victoria, 3000 on Thursday 22 October 2015 at 10.00 am (Melbourne time). The Notice of General Meeting incorporates, and should be read together with, this Memorandum.

BUSINESS

Resolution 1	Ratification of prior issue of shares – Nominees of Subiaco Capital
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Resolution 1 seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for the prior issue of 10,750,000 fully paid ordinary shares to nominees of Subiaco Capital Pty Ltd [ACN 129 705 308]. Each share was issued at a deemed issue price of \$0.012 (total deemed consideration \$129,000.00). These shares were the subject of an Appendix 3B lodged 10 August 2015.

The shares the subject of Resolution 1 were issued without shareholder approval under ASX Listing Rule 7.1. ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any twelve (12) month period any equity securities, or other securities with rights to conversion to equity (such as options), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that twelve (12) month period.

ASX Listing Rule 7.4 provides that where a company's shareholders ratify the prior issue of securities made pursuant to ASX Listing Rule 7.1 (provided that the previous issue of securities did not breach ASX Listing Rule 7.1) those securities will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1. The Company seeks approval under Listing Rule 7.4 to refresh its capacity to make further issues without shareholder approval under Listing Rule 7.1.

The following information is provided in accordance with the requirements of ASX Listing Rule 7.5:

- The total number of shares issued was 10,750,000 fully paid ordinary shares in the Company.
- The deemed price at which the shares were issued was \$0.012 per share.
- The shares have the same terms and rights as, and will rank equally with, the Company's existing listed fully paid ordinary shares.
- The shares were issued to nominees of Subiaco Capital Pty Ltd [ACN 129 705 308] which is not a related party of the Company.
- No funds were raised by the issue of shares which will issue in lieu of cash payment for consulting services.
- A voting exclusion statement is contained in the Notice of General Meeting accompanying this Explanatory Memorandum.

Resolution 2	Ratification of prior issue of shares – Taylor Collison and Alignment Capital
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Resolution 2 seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for the prior issue of 48,416,667 fully paid ordinary shares to the clients of Taylor Collison Limited [ACN 008 172 450] and Alignment Capital Pty Ltd [ACN 167 124 754]. Each share was issued at an issue price of \$0.012 (total consideration \$581,000). The shares were the subject of an Appendix 3B lodged 18 August 2015.

A portion of the shares (9,835,968 fully paid ordinary shares) the subject of Resolution 2 were issued without shareholder approval under ASX Listing Rule 7.1. ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any twelve (12) month period any equity securities, or other securities with rights to conversion to equity (such as options), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that twelve (12) month period.

The remainder of the shares (38,580,699 fully paid ordinary shares) the subject of Resolution 2 were issued without shareholder approval under ASX Listing Rule 7.1A. ASX Listing Rule 7.1A provides that in addition to

the issue permitted without shareholder approval under ASX Listing Rule 7.1, an entity that is eligible and obtains shareholder approval under ASX Listing Rule 7.1A may issue or agree to during the period the approval is valid a number of equity securities which represents 10% of the number of fully paid ordinary securities on issue at commencement of that twelve (12) month period as adjusted in accordance with the formula in Listing Rule 7.1.

ASX Listing Rule 7.4 provides that where a company's shareholders ratify the prior issue of securities made pursuant to ASX Listing Rule 7.1 and 7.1A (provided that the previous issue of securities did not breach ASX Listing Rule 7.1 and 7.1A) those securities will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1 and 7.1A. The Company seeks approval under Listing Rule 7.4 to refresh its capacity to make further issues without shareholder approval under Listing Rule 7.1 and 7.1A.

The following information is provided in accordance with the requirements of ASX Listing Rule 7.5:

- The total number of shares issued was 48,416,667 fully paid ordinary shares in the Company.
- The price at which the shares were issued was \$0.012 per share (aggregate value \$581,000).
- The shares have the same terms and rights as, and will rank equally with, the Company's existing fully paid ordinary shares.
- The shares were issued to clients of Taylor Collison Limited [ACN 008 172 450] and Alignment Capital Pty Ltd [ACN 167 124 754] which are not related parties of the Company.
- Funds raised through the issue have (or will) be used to develop the Company's Tanzanian assets, working capital and other investment opportunities.
- A voting exclusion statement is contained in the Notice of General Meeting accompanying this Explanatory Memorandum.

Resolution 3	Ratification of prior issue of options – Taylor Collison and Alignment Capital
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Resolution 3 seeks shareholder ratification pursuant to ASX Listing Rule 7.4 for the prior issue of 24,208,333 listed [MOZO] options to acquire ordinary fully paid shares (each option having an exercise price of \$0.02 and expiry date of 31 December 2017) to clients of Taylor Collison Limited [ACN 008 172 450] and Alignment Capital Pty Ltd [ACN 167 124 754] who were investors who did not require disclosure under the requirements of Chapter 6D of the Corporations Act 2001 (Cth) and who were not related parties of the company. The options were the subject of an Appendix 3B lodged 18 August 2015.

The options the subject of Resolution 3 were issued without shareholder approval under ASX Listing Rule 7.1. ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any twelve (12) month period any equity securities, or other securities with rights to conversion to equity (such as options), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that twelve (12) month period.

ASX Listing Rule 7.4 provides that where a company's shareholders ratify the prior issue of securities made pursuant to ASX Listing Rule 7.1 (provided that the previous issue of securities did not breach ASX Listing Rule 7.1) those securities will be deemed to have been issued with shareholder approval for the purposes of ASX Listing Rule 7.1. The Company seeks approval under Listing Rule 7.4 to refresh its capacity to make further issues without shareholder approval under Listing Rule 7.1.

The following information is provided in accordance with the requirements of ASX Listing Rule 7.5:

- The maximum number of options which will be issued under the approval sought through this resolution is 24,208,333 listed [MOZO] options.
- There was no issue price. The options were issued as free-attaching options to shares in Resolution 2 in connection with placement referred to in the Company's Appendix 3B lodged 18 August 2015.
- The options have the same terms and rights as the Company's existing listed [MOZO] options.
- The options were issued to clients of Taylor Collison Limited [ACN 008 172 450] and Alignment Capital Pty Ltd [ACN 167 124 754] who are not related parties of the Company.
- Funds raised through the issue have (or will) be used to develop the Company's Tanzanian assets, working capital and other investment opportunities.
- A voting exclusion statement is contained in the Notice of General Meeting accompanying this Explanatory Memorandum.

Resolution 4	Approval for issue of shares – Legal Insite
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Resolution 4 seeks shareholder approval for the issue of 1,000,000 fully paid ordinary shares) to Legal InSite Pty Ltd [ACN 159 049 711] trading as Legal InSite (**Legal InSite**). The shares are proposed to be issued in lieu of a cash payment for consulting services provided to the Company at a deemed issue price of \$0.012 per share.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period. One circumstance where an action or an issue is not taken into account in the calculation of this 15% threshold is where the issue has the prior approval of shareholders at a general meeting.

ASX Listing Rule 7.3 requires that the meeting documents concerning a proposed resolution to approve an issue of securities in accordance with ASX Listing Rule 7.1 must include the following information:

- The maximum number of shares which will be issued under the approval sought through this resolution is 1,000,000 shares.
- The shares will be issued and allotted no later than three (3) months after the date of the Meeting (or such later date as may be permitted by an ASX waiver of the Listing Rules, the Corporations Act 2001 and/or the Australian Securities and Investments Commission).
- The shares will have the same terms as the Company's existing ordinary fully paid shares.
- The shares will be issued to Legal Insite.
- A voting exclusion statement is contained in the Notice of General Meeting accompanying this Explanatory Memorandum.
- No funds will be raised upon issue of the shares which are to be issued in lieu of a cash payment for services provided to the Company.

Resolution 5	Approval for issue of shares and options – Nominees of Subiaco Capital
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Resolution 5 seeks shareholder approval pursuant to ASX Listing Rule 7.4 for the issue of 10,000,000 fully paid ordinary shares and 5,000,000 listed [MOZO] options to acquire ordinary fully paid shares (each option having an exercise price of \$0.02 and expiry date of 31 December 2017) to nominees of Subiaco Capital Pty Ltd [ACN 129 705 308] (**Subiaco Capital**). The shares and options are proposed to be issued to nominees of Subiaco Capital in lieu of cash payable in respect of corporate advisory services provided by Subiaco Capital to the Company at a deemed issue price of \$0.012 cents per share and the options being free-attaching.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period. One circumstance where an action or an issue is not taken into account in the calculation of this 15% threshold is where the issue has the prior approval of shareholders at a general meeting.

ASX Listing Rule 7.3 requires that the meeting documents concerning a proposed resolution to approve an issue of securities in accordance with ASX Listing Rule 7.1 must include the following information:

- The maximum number of securities to be issued under the approval sought through this resolution is 10,000,000 ordinary fully paid shares issued and 5,000,000 listed [MOZO] options.
- The shares will be issued and allotted no later than three (3) months after the date of the Meeting (or such later date as may be permitted by an ASX waiver of the Listing Rules, the Corporations Act 2001 and/or the Australian Securities and Investments Commission).
- The shares will have the same terms as the Company's existing ordinary fully paid shares. The options will have the same terms as the Company's existing listed MOZO options, the key terms being an exercise price of 2 cents (\$0.02) and an expiry date of 31 December 2017.
- The shares will be issued to nominees of Subiaco Capital.
- A voting exclusion statement is contained in the Notice of General Meeting accompanying this Explanatory Memorandum.
- No funds will be raised upon issue of the shares or options which are to be issued in lieu of a cash payment for services provided to the Company. Any funds raised upon exercise of the options will be applied to the working capital requirements of the Company at the time of exercise.

Resolution 6	Approval for issue of shares – Stocks Digital
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Resolution 6 seeks shareholder approval pursuant to ASX Listing Rule 7.1 for the issue of 700,000 fully paid ordinary shares to S3 Consortium Pty Ltd [ACN 135 239 968] trading as Stocks Digital (**Stocks Digital**). The shares are to be issued to Stocks Digital in lieu of cash payable in respect of consulting services provided to the Company at a deemed issue price of \$0.015 per share.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period. One circumstance where an action or an issue is not taken into account in the calculation of this 15% threshold is where the issue has the prior approval of shareholders at a general meeting.

ASX Listing Rule 7.3 requires that the meeting documents concerning a proposed resolution to approve an issue of securities in accordance with ASX Listing Rule 7.1 must include the following information:

- The maximum number of shares which will be issued under the approval sought through this resolution is 700,000 shares.
- The shares will be issued and allotted no later than three (3) months after the date of the Meeting (or such later date as may be permitted by an ASX waiver of the Listing Rules, the Corporations Act 2001 and/or the Australian Securities and Investments Commission).
- The shares will have the same terms as the Company's existing ordinary fully paid shares.
- The shares will be issued to Stock Digital.
- A voting exclusion statement is contained in the Notice of General Meeting accompanying this Explanatory Memorandum.
- No funds will be raised upon issue of the shares which are to be issued in lieu of a cash payment for services provided to the Company.

Resolution 7	Approval of issue to vendors of additional graphite tenements
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Resolution 7 seeks shareholder approval pursuant to ASX Listing Rule 7.1 for the prior issue of 15,000,000 fully paid ordinary shares and 7,500,000 listed [MOZO] options to acquire ordinary fully paid shares (each option having an exercise price of \$0.02 and expiry date of 31 December 2017) to Jovitha Charles and Frederick Msonga or their nominees (**Vendors**) being the proposed vendors of various graphite tenements pursuant to a Terms Sheet the key terms of which were announced to ASX by the Company on 9 September 2015. The share and options the subject of this resolution will form part of the consideration payable to the Vendors on completion of the proposed acquisition.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period. One circumstance where an action or an issue is not taken into account in the calculation of this 15% threshold is where the issue has the prior approval of shareholders at a general meeting.

ASX Listing Rule 7.3 requires that the meeting documents concerning a proposed resolution to approve an issue of securities in accordance with ASX Listing Rule 7.1 must include the following information:

- The maximum number of securities to be issued under the approval sought through this resolution is 15,000,000 ordinary fully paid shares issued and 7,500,000 listed [MOZO] options.
- The shares will be issued and allotted no later than three (3) months after the date of the Meeting (or such later date as may be permitted by an ASX waiver of the Listing Rules, the Corporations Act 2001 and/or the Australian Securities and Investments Commission).
- The shares will have the same terms as the Company's existing ordinary fully paid shares. The options will have the same terms as the Company's existing listed MOZO options, the key terms being an exercise price of 2 cents (\$0.02) and an expiry date of 31 December 2017.
- The shares will be issued to nominees of the Vendors (defined above).
- A voting exclusion statement is contained in the Notice of General Meeting accompanying this Explanatory Memorandum.
- No funds will be raised upon issue of the shares or options which are to be issued as part of the consideration payable to the Vendors at completion of the proposed acquisition described in the Company's ASX announcement on 9 September 2015. Any funds raised upon exercise of the options will be applied to the working capital requirements of the Company at the time of exercise.

Resolution 8, 9, 10 and 11	Adoption of Performance Rights Plan and Issue of Performance Rights
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Resolution 8 is proposed to introduce a performance rights plan (the **Mozambi Resources Performance Rights Plan or the Plan**) to give officers and executives (including executive and non-executive directors of the Company or its subsidiaries) the opportunity to take up shares in the Company.

Resolutions 9, 10 and 11 seek shareholder approval for the issue under the Plan of an aggregate of 9 million Performance Rights to the Company's Directors, Mr Matt Bull (3 million), Mr Adrien Wing (3 million) and Mr Alan Armstrong (3 million).

The Performance Rights entitle the holder to one fully paid ordinary share upon achievement of the applicable Milestones. The Performance Rights are described as Series A, B or C and have the terms set out in the table below:

Series	Recipient/Number	Number of Performance Rights	Milestone ^	Achieved
A	<i>Matt Bull</i>	<i>1,000,000</i>	<i>Market capitalisation of the Company of \$25 million or more.</i>	<i>Within 3 years of the issue date.</i>
	<i>Adrien Wing</i>	<i>1,000,000</i>		
	<i>Alan Armstrong</i>	<i>1,000,000</i>		
B	<i>Matt Bull</i>	<i>1,000,000</i>	<i>Market capitalisation of the Company of \$40 million or more.</i>	<i>Within 4 years of the issue date.</i>
	<i>Adrien Wing</i>	<i>1,000,000</i>		
	<i>Alan Armstrong</i>	<i>1,000,000</i>		
C	<i>Matt Bull</i>	<i>1,000,000</i>	<i>The Company successfully raising an aggregate of not less than \$5,000,000 for the purposes of developing the Tanzanian projects, working capital and other opportunities.</i>	<i>Within 3 years of the issue date.</i>
	<i>Adrien Wing</i>	<i>1,000,000</i>		
	<i>Alan Armstrong</i>	<i>1,000,000</i>		

^ If a Milestone is not achieved within the period stated, the applicable Performance Rights cannot be converted or exercised, and lapse and are cancelled automatically.

The Performance Rights in each series above convert automatically upon achievement of the Milestone applicable to that series without payment of any additional consideration. Other than the requirement for satisfaction of the relevant Milestones, the Performance Rights are not subject to vesting conditions. The Milestones do not include continuing to be an officer or executive and a participant's termination or resignation as an officer or executive of the Company (or that of the applicable individual who nominated the participant) does not affect the Performance Rights or cause them to lapse. No loan has or will be made in respect of the issue, conversion, vesting or exercise of the Performance Rights.

Resolutions 9, 10 and 11 are subject to Resolution 8 (the adoption of the Mozambi Resources Performance Rights Plan) being passed.

The objects of the Mozambi Resources Performance Rights Plan are to:

- provide an incentive for eligible participants;
- recognise the eligible participants and their expected efforts and contribution in the performance and success of the Company;
- provide eligible participants with the opportunity to acquire performance rights, and ultimately shares, in the Company in accordance with the Plan rules.

A summary of the Mozambi Resources Performance Rights Plan is set out in Annexure A.

Regulatory Requirements- Corporations Act sections 259B and 260C

The proposed Plan provides that the Company may, at its election, issue new shares or procure the transfer of existing shares on the conversion or exercise of performance rights held by a participant.

The provision of performance rights to a participant resulting in Company procuring a transfer of existing shares may be regarded as the Company providing financial assistance to a person to acquire Mozambi Resources shares which, subject to certain exceptions, is prohibited by section 260A of the Corporations Act.

Under section 260C(4) of the Corporations Act, a company may financially assist a person to acquire shares in the company if the financial assistance is given under an employee share scheme that has been approved by shareholders at a general meeting. Accordingly, Resolution 9 seeks the approval of shareholders of the Mozambi Resources Group Performance Rights Plan and the issue of Performance Rights under the Plan.

It is noted that, notwithstanding the above shareholder approval, the definition of 'employee share scheme' under the Corporations Act only covers a scheme where shares are acquired by, or for the benefit of, employees or directors who hold salaried employment or office in the company or a related body corporate. This definition is unlikely to cover a director participating in the Mozambi Resources Performance Rights Plan where that director does not receive a salary from the Company or a related body corporate. As such, the Plan provides that any shares to be provided upon conversion or exercise of performance rights by non-salaried directors will be new shares issued and allotted to the non-salaried director, rather than existing shares acquired by or on behalf of the non-salaried director by way of purchase and transfer.

It is possible that, if the Plan places restrictions on the transfer of shares acquired on the conversion or exercise of performance rights these restrictions may on one view constitute the Company 'taking security' over its own shares. Section 259B(1) of the Corporations Act provides that a company must not take security over shares in itself except as permitted under the Corporations Act. Section 259B(2) of the Corporations Act provides that the Company may take security over shares in itself under an employee share scheme that has been approved by shareholders at a general meeting. Therefore, seeking shareholder approval provides flexibility for the Company to include restrictions on transfers of shares issued under the Plan without breaching the Corporations Act.

Regulatory Requirements- ASX Listing Rules Chapter 7

ASX Listing Rule 7.1 requires that shareholder approval is required for an issue of securities if the securities will, when aggregated with the securities issued by the entity during the previous 12 months, exceed 15% of the number of securities on issue at the commencement of that 12 month period.

An exception to ASX Listing Rule 7.1, under Exception 9 of Listing Rule 7.2, is securities issued under an employee incentive scheme within 3 years of shareholder approval of that scheme. The Company therefore seeks approval under Exception 9 of Listing Rule 7.2 so that any issue of securities under the Mozambi Resources Performance Rights Plan does not impede the capacity of the Company to issue up to a further 15% of its capital without shareholder approval.

A notice of meeting seeking approval under Exception 9 to Listing Rule 7.2 must include a summary of the terms of the performance rights plan. As noted above, a summary of the Mozambi Resources Performance Rights Plan is set out in Annexure A.

Securities issued under the Plan since last approved

Exception 9 to Listing Rule 7.2 also requires the details of the number of securities issued under the Plan since it was last approved.

No plan to which Exception 9 to Listing Rule 7.2 has previously been approved, and no securities have been issued under such a plan.

Regulatory Requirements - ASX Listing Rules Chapter 10

ASX Listing Rule 10.14 provides that an entity must not permit a director or an associate of a director to acquire securities under an employee incentive scheme without the approval of ordinary shareholders.

ASX Listing Rule 10.14 does not apply to securities purchased on-market under the terms of an employee incentive scheme that provides for the purchase of securities by or on behalf of employees or directors however, by seeking approval under Listing Rule 10.14, the Company will preserve flexibility over how the Mozambi Resources Performance Rights Plan is implemented.

ASX Listing Rule 10.15 requires that a notice of meeting seeking approval under clause ASX Listing Rule 10.14 contain the information set out below.

The maximum number of securities that may be acquired by persons for whom approval under ASX Listing Rule 10.14 is required is the maximum number of securities which may be issued under the Plan. The Company must not issue a performance right under the Plan if, the aggregate of:

- the number of shares which would be issued were each outstanding offer of shares, options and performance rights to acquire unissued shares were accepted, converted or exercised;
- the number of shares issued during the previous 3 years pursuant to the Performance Rights Plan or any other employee share scheme extending;

would, at the time of the proposed issue, exceed 5% of the total number of Mozambi Resources then issued shares. Provided that certain issues may be disregarded when calculating the 5% figure including issues made by way of or as a result of an offer that did not need disclosure to investors because of section 708 of the Corporations Act.

Unless the committee established under the Plan determines otherwise no payment of money is required for the issue of a performance right or the vesting, conversion or exercise of a performance right issued under the Plan. Each security issued under the Plan will be issued for no consideration upon achievement of the Milestone to that security which are set out above.

Details of any securities issued under the Performance Rights Plan will be published in each annual report of the Company relating to a period in which securities have been issued, and that approval for the issue of securities was obtained under ASX Listing Rule 10.14.

The last date by which Performance Rights will be issued under the Plan is 22 October 2018, being 3 years after the date of the meeting at which shareholder approval is sought. Performance Rights to be issued as set out in

Resolutions 9, 10 and 11 and those further performance rights are expected to be issued within three (3) business days after the meeting.

The Performance Rights will be issued in connection with services provided to the Company by the participants (or the individual who nominates the relevant participant) for no additional consideration.

Voting exclusion statements in respect of Resolutions 9, 10 and 11 are contained in the Notice of General Meeting accompanying this Explanatory Statement.

Directors entitled to participate in the Plan

The names of all the current Directors who would be entitled to participate in the Mozambi Resources Performance Rights Plan (or whose associates or nominees would be entitled to participate) are:

- Mr Matt Bull;
- Mr Adrien Wing; and
- Mr Alan Armstrong.

There are currently no other directors or proposed directors or their associates entitled to participate in the Plan. Any additional director (or a nominee or associate) who becomes entitled to participate in the Performance Rights Plan and who is not named in this Explanatory Statement will not participate until further shareholder approval is obtained under Listing Rule 10.14.

Corporations Act – Chapter 2E

Under Chapter 2E of the Corporations Act, a public company cannot give a “financial benefit” to a “related party” unless one of the exceptions to the section apply or shareholders have in a general meeting approved the giving of that financial benefit to the related party.

Section 211 of the Corporations Act provides that one of the exceptions to the requirement to obtain shareholder approval for giving a financial benefit to a related party is where the benefit is given to the related party as an officer of the Company and to give the remuneration would be reasonable given:

- the circumstances of the Company; and
- the related party's circumstances (including the responsibilities involved in the office or employment).

If all the Performance Rights described above convert, the Directors' respective (direct and indirect) relevant interests in shares (assuming no other acquisitions or disposals of shares or options, whether by exercising options or otherwise) would be as follows:

	Existing Shares	Performance Rights proposed to be issued	Total if all Performance Rights convert
Mr Matt Bull	Nil	3,000,000	3,000,000
Mr Adrien Wing	4,700,056	3,000,000	7,700,056
Mr Alan Armstrong	500,000	3,000,000	3,500,000

Note: Table above does not include option holdings of Directors. As at the date of this Notice, the Directors held relevant interests in the following options: (a) Matt Bull 3,000,000 unlisted options; (b) Adrien Wing – 6,850,028 listed options and 3,000,000 unlisted options; and (c) Alan Armstrong – 3,000,000 unlisted options.

The Company considers the proposed issues are reasonable remuneration and, as such, fall within the exception set out in section 211 of the Corporations Act.

In reaching this view, the Company has considered the respective positions and responsibilities of each of the Directors and their overall remuneration packages having regard for to remuneration packages offered by similar ASX-listed companies. The Company has also considered its reliance on a limited number of personnel and the need to retain that personnel, the need for the Company to effectively incentivise each of the Directors while aligning the incentive with increasing shareholder value, the desirability of preserving cash resources within the Company, and the terms of the Performance Rights. The Company considers that the issue of Performance Rights to directors is an effective tool which preserves the cash reserves of the Company and its group entities whilst providing valuable consideration for the Directors linked to the future success of the Company.

NOTE:

Unless otherwise specified, all monetary amounts are expressed in Australian dollars.

ANNEXURE A

SUMMARY OF MOZAMBI RESOURCES PERFORMANCE RIGHTS PLAN

DEFINITIONS

For the purpose of this summary:

“Accelerated Vesting Event” means with respect to a participant the occurrence of:

- (a) a Special Circumstance in respect of the participant; and
- (b) a circumstance set out in the Plan Rules (summarised below).

“Executive” means:

- (a) an individual whom the Plan Committee determines to be in the full-time or part-time employment of a body corporate in the Group (including any employee or parental leave, long service leave or other special leave as approved by the Plan Committee);
- (b) a director of a body corporate in the Group who holds salaried employment or office in a body corporate in the Group;
- (c) a director of the Company;
- (d) an individual who provides services to a body corporate in the Group whom the Plan Committee determines to be an Executive for the purposes of the Plan;
- (e) an individual whose associate (as that expression is defined in section 139GE of the Income Tax Assessment Act 1936 (Cth)) provides services to a body corporate in the Group which individual the Plan Committee determines to be an Executive for the purposes of the Plan; or
- (f) an individual otherwise in the employment of a body corporate in the Group whom the Plan Committee determines to be an Executive for the purposes of the Performance Rights Plan.

“Group” means the Company and its subsidiaries.

“Performance Right” means an entitlement to a Share, subject to satisfaction of performance hurdles, and the corresponding obligation of the Company to provide a Share, pursuant to the acceptance by an Executive of an offer made to the Executive as provided for in the Rules.

“Plan” means the Mozambi Resources Performance Rights Plan.

“Plan Committee” means the remuneration committee or another committee of the Company's Board to which power to administer the Plan has been delegated or if there has been no delegation, the Board.

“Rules” mean the rules governing the operation of the Plan set out in the Performance Rights Plan Rules, as amended from time to time.

“Share” means a fully paid ordinary share in the Company.

“Special Circumstances” means with respect to a participant:

- (a) total and permanent disablement;
- (b) redundancy;
- (c) death; or
- (d) any other circumstances as the Plan Committee may at any time determine (whether in relation to the participant, a class of participants, particular circumstances or a class of circumstances) and whether before or after the issue date of the relevant Performance Rights.

SUMMARY

Under the proposed Rules, the Plan Committee may offer Performance Rights to certain Executives.

The Performance Rights offered under the Plan may be subject performance, vesting, conversion or other conditions determined by the Plan Committee. These performances, vesting, conversion and/or other conditions will be specified in an offer of Performance Rights to an Executive. If the offer in respect of any Performance Right specifies any performance hurdle(s), the Performance Right will not convert or cannot be exercised (as the case requires) and will not be taken to have been converted or exercised unless and until the applicable performance hurdle(s) has or have been achieved (unless the performance hurdle(s) is or are permitted to be waived, in whole or in part, by the Plan Committee under the listing rules of ASX, and are so waived).

An Eligible Executive that accepts an offer of Performance Rights (or his or her nominee) is known as a Participant. Each Performance Right will, upon conversion or exercise in accordance with its terms of issue, entitle the Participant to one Share. Under the Rules, upon conversion or exercise of a Performance Right, the Company must:

- subject to the bullet point below, procure the transfer of one Share or issue and allot one Share to the Participant; or
- if the Participant is a director of a body corporate in the Group but does not hold salaried employment or office in a body corporate in the Group, then the Company must issue and allot one Share to the Participant.

Generally, if an Exercise Period is specified or described a Performance Right may be exercised at any time during the Exercise Period for that Performance Right. A Performance Right may only convert or be exercised before the Exercise Period where (if and then only to the extent permitted by the listing rules of ASX):

- an Accelerated Vesting Event occurs while a Participant is employed with or holds an office with the Group and the Plan Committee brings forward the First Exercise Date or waives or varies any performance hurdles; or
- if the offer of Performance Rights accepted by the Participant provides for certain circumstances where the First Exercise Date is brought forward or the performance hurdles are waived or varied and, those circumstances occur.

The Plan provides that Performance Rights may only be transferred, by an instrument of transfer, in the following circumstances (each of which is an Accelerated Vesting Event):

- a transfer constituting the necessary transfer documents following an acceptance of an offer made under an off-market bid relating to Performance Rights;
- a transfer to a bidder on the sale of the Performance Rights under Division 3 of Part 6A.1 of the Corporations Act;
- a transfer to a 100% holder on the sale of the Performance Rights under Division 2 of Part 6A.2 of the Corporations Act;
- a transfer under Part 6A.3 of the Corporations Act to a person entitled to acquire Performance Rights under section 661A or 664A of the Corporations Act; or
- a transfer approved by the Board in those circumstances as may be determined by the Board.

The Plan Committee must take reasonable steps to ensure that Performance Rights are not granted or issued to a Participant under the Performance Rights Plan if the number of Shares the subject of the Performance Rights or that are to be received on the conversion or exercise of the Performance Rights when aggregated with:

- the number of Shares which would be issued were each outstanding offer with respect to Shares, units of Shares, options and performance rights to acquire unissued Shares, under an employee share scheme to be accepted, converted or exercised; and
- the number of Shares issued during the previous five years pursuant to the Plan or any other employee share scheme extending only to eligible officers or employees of the Company,

would exceed 5% of the total number of issued Shares as at the time of the proposed grant or issue.

For the purpose of calculating the 5% limit, any off made, or option of Performance Right acquired or Share issued by way of or as a result of:

- an offer to a person situated at the time of receipt of the offer outside of Australia;
 - an offer that did not need disclosure to investors because of section 708 of the Corporations Act;
 - an offer that did not require the giving of a Product Disclosure Statement because of section 1012D of the Corporations Act; or
 - an offer made under a disclosure document or Product Disclosure Statement,
- can be disregarded.

PROXY FORM

MOZAMBI RESOURCES LIMITED ACN 106 353 253

I/We

of:

being a Shareholder entitled to attend and vote at the Meeting, hereby appoint:

Name:

OR: ☐ the Chair of the Meeting as my/our proxy.

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Meeting to be held at The Institute of Chartered Accountants, Level 3, 600 Bourke Street, Melbourne VIC 3000 on Thursday 22 October 2015 at 10.00am (Melbourne time), and at any adjournment thereof.

This proxy is authorised to exercise votes/ % of my/our total voting rights.

☐

If the Chair of the meeting is appointed as your proxy, or may be appointed by default and you do **not** wish to direct your proxy how to vote as your proxy, please place a mark in the box

By marking this box you acknowledge that the Chair may exercise your proxy even if he has an interest in the outcome of the resolution, or even if the resolution is considered directly or indirectly with the remuneration of a member of the Company's key management personnel, and votes cast by him other than as proxy holder will be disregarded because of that interest. The Chair intends voting undirected proxies in favour of the resolutions in which he is permitted to vote.

VOTING DIRECTIONS FOR YOUR PROXY

To instruct your proxy how to vote, insert 'X' in the appropriate column against each resolution set out below. If you do not instruct your proxy how to vote on a resolution, your proxy may vote as he/she thinks fit or abstain from voting.

I/We direct my/our proxy to vote as indicated below:

Voting on business of the Meeting		FOR	AGAINST	ABSTAIN
Resolution 1	Ratification of prior issue of shares – Nominees of Subiaco Capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Ratification of prior issue of shares – Taylor Collison and Alignment Capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Ratification of prior issue of options – Taylor Collison and Alignment Capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval for issue of shares – Legal Insite	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval for issue of shares and options – Nominees of Subiaco Capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Approval for issue of shares – Stocks Digital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Approval for issue of shares and options – Vendors of additional graphite tenements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Adoption of the Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	Issue of Performance Rights – Mr Matt Bull	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10	Issue of Performance Rights – Mr Adrien Wing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 11	Issue of Performance Rights – Mr Alan Armstrong	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If a person: <input type="text"/> (Signature) <input type="text"/> Name (print) Date: ____/____/____	If a company: EXECUTED by: <input type="text"/> Name of company (print) in accordance with the Corporations Act <input type="text"/> (Signature) <input type="text"/> (Signature) Date: ____/____/____
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This proxy and any power of attorney or other authority under which it is signed (or a certified copy) must be lodged at:

- Mozambi Resources Ltd, level 17, 500 Collins Street, Melbourne, Victoria, 3000; or
- by facsimile on +61 3 9614 0550 by 10.00 am (Melbourne time) on 20 October 2015, being not less than 48 hours before the time for holding the meeting or adjourned meeting as the case may be.