



MOZAMBI
R E S O U R C E S

ASX ANNOUNCEMENT

By e-lodgement

1 October 2015

Ground EM Survey results at Chiwata extends the potential strike length to 7km

Highlights:

- **Completed Ground EM Survey results indicate that graphite mineralisation continues along strike from the known outcropping mineralisation at the Chiwata Prospect extending the exploration targets to 7km strike length**
- **Numerous additional other conductive targets identified for follow up**
- **The Ground EM crew is now moving to the Masasi, Chidya and then to the Namangale Prospects**
- **Results will help with planning of drilling program at the Chiwata prospect which is expected to commence in the next few days**
- **Geological Mapping is continuing at the Chidya and Namangale Prospects**
- **Drilling to commence in coming days**

Introduction

Mozambi Resources Ltd (ASX: MOZ, “**Mozambi**”, “**the Company**”) is pleased to announce that results from the ground EM survey at Chiwata confirm conductive targets along strike from the known graphite mineralisation. Results of the survey will be used to help target the holes in an upcoming drilling program. **Survey results indicate that graphite mineralisation continues along strike from the known outcropping mineralisation at Chiwata extending the exploration targets to 7km strike length.**

In addition, the ground EM survey also identified further targets. These targets require follow up.

Managing Director Alan Armstrong said “The encouraging results of the EM surveys have confirmed significant conductive areas are located both coincident with and along strike from known areas of graphite outcrop. This gives the Company confidence to move rapidly towards drill testing in order to advance towards a JORC compliant resource.”

Exploration is continuing on the Company’s other main prospects, with geological mapping now underway at the Chidya and Namangale Prospects. The initial results of the mapping indicate both prospects show significant areas of outcropping graphite mineralisation. A ground EM survey is now underway at the Masasi Prospect before the crew move to the Company’s other 2 main prospects. Drill lines for drilling at Chiwata are now almost complete and drilling is expected to start in the coming days.

Figure 1 shows the location of the Nachingwea Project Tenements and the main graphite prospects.

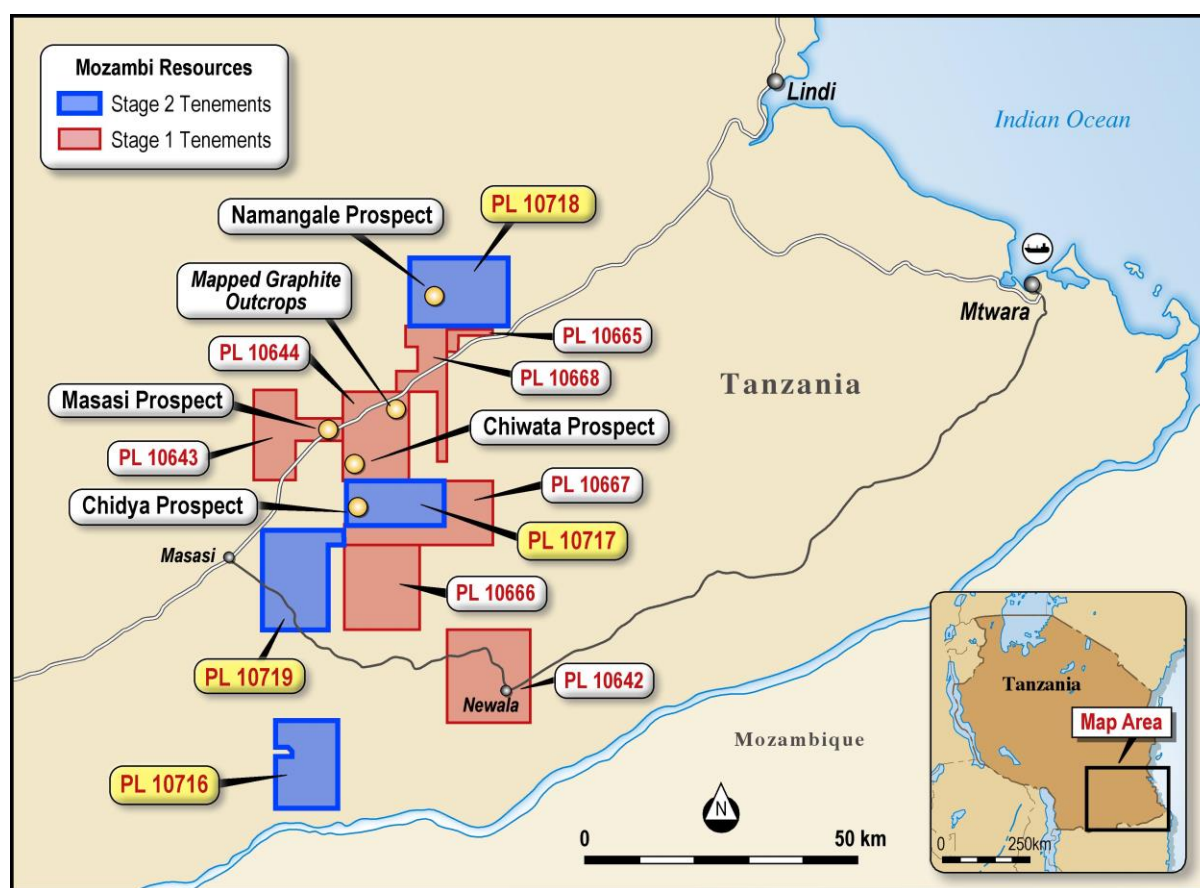


Figure 1 Location of the Nachingwea Project Tenements

Results of the Ground EM survey at Chiwata

A ground EM survey using a 200m line spacing has now been completed at the Chiwata Prospect. EM surveys are used to determine the conductivity of the subsurface and are particularly effective for locating highly conductive materials such as graphite. The survey consisted of 31.6 line km and covered an area of 8km² including around the known mineralisation at Chiwata. The results of the survey are shown in **Figure 2** below with pink indicating areas of high conductivity and blue indicating areas of low conductivity.

The main anomalies are outlined in **Figure 2** together with the mapped outcrops. The main target at the prospect is a band of graphite schist which appears to be folded with a strike length of approximately 4km, several other anomalies totalling 3km strike in length where outcropping graphite has been mapped have also been identified. In addition there are numerous other targets that require follow up.

The other highlighted EM targets are supported by observed outcropping graphite schist or in some cases graphite that was intersected in pits dug beneath shallow cover rocks/soil. The location of the mapped outcrops is generally close to the anomalies although not always directly coincident as the conductivity measurements are taken at depth and the outcrops are mapped at surface. It is noted there are several other areas of high conductivity that will need to be followed up.

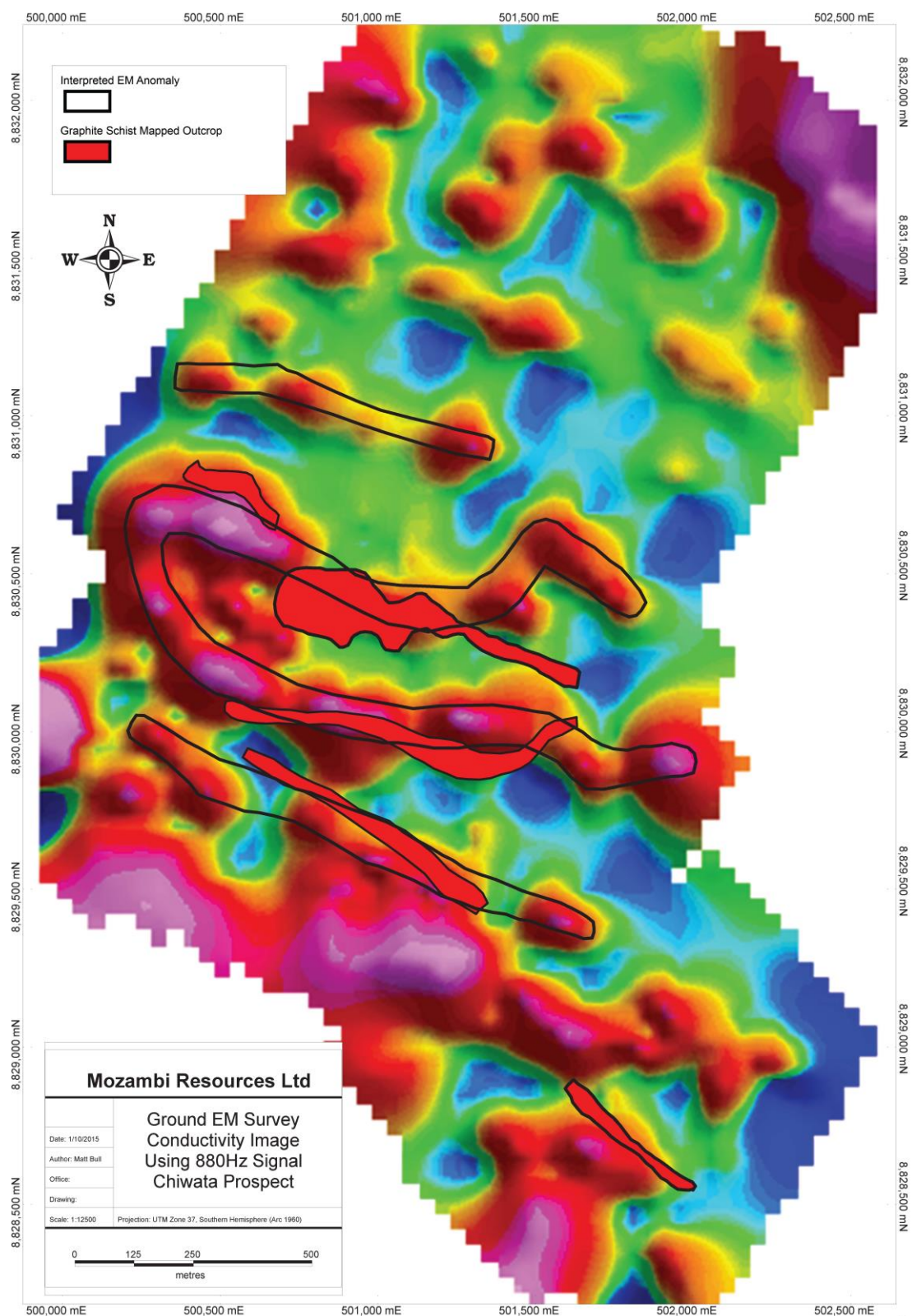


Figure 2 Conductivity Image produced using 880Hz Frequency at the Chiwata Prospect

Chiwata Prospect Summary

Exploration at the Chiwata Prospect has included geological mapping, rock chip sampling, pitting, ground magnetic and now ground EM geophysical surveys. Preliminary Flake Size analysis was also undertaken confirming the presence of large and Jumbo Sized graphite flakes. The exploration program was designed to help plan the initial drilling program at this prospect where wide zones of outcropping and sub-cropping graphite mineralisation have been identified. **Figure 3** shows an outcrop of graphite mineralisation at Chiwata and **Figure 4** shows a sample of coarse flake graphite schist mineralisation from the prospect.



Figure 3 Outcropping Graphite mineralisation **Figure 4** Coarse flake graphite mineralisation sample

Preparations to Drill test the Chiwata Prospect

Preparations to begin drilling at the Chiwata Prospect are now well advanced, with construction of an access track to the site now complete and drill lines nearing completion. The drilling company is currently mobilising to site and drilling is planned to commence in the coming days. JICL Drill Limited ("JICL") has been appointed to carry out this program. JICL are a very experienced drilling company based in Tanzania that has managed extensive drill programs in both Tanzania and Mozambique. They have also worked for a number of ASX listed graphite explorers including Syrah Resources (SYR).

Nachingwea Project Summary

The project area is located in the south east of Tanzania, 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' 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.

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.