

Appendix 3B

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

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

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

Name of entity

Mozambi Resources Limited

ABN

28 106 353 253

We (the entity) give ASX the following information.

Part 1 - All issues

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

1 +Class of +securities issued or to be issued

- (a) Ordinary fully paid shares (MOZ)
- (b) Listed options (MOZ)
- (c) Ordinary fully paid shares (MOZ)
- (d) Ordinary fully paid shares (MOZ)
- (e) Listed options (MOZ)
- (f) Ordinary fully paid shares (MOZ)
- (g) Performance Rights
- (h) Ordinary fully paid shares (MOZ)

2 Number of +securities issued or to be issued (if known) or maximum number which may be issued

- (a) 2,083,333
- (b) 1,041,667
- (c) 1,000,000
- (d) 12,500,000
- (e) 6,125,000
- (f) 700,000
- (g) 9,000,000
- (h) 4,516,825

+ See chapter 19 for defined terms.

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|---|---|
| <p>3 Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)</p> | <p>Ordinary fully paid shares (MOZ) - same as existing upon issue</p> <p>Listed Options (MOZ) - exercise price of 2 cents (\$0.02) and expiry date of 31 December 2017</p> <p>Performance Rights – refer to Notice of Meeting lodged with ASX on 23 September 2015 (and despatched to all shareholders) for further details</p> |
|---|---|

+ See chapter 19 for defined terms.

<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Ordinary fully paid shares (MOZ) - Yes</p> <p>Listed Options (MOZ) – Yes</p> <p>Performance Rights – No – new form of security. refer to Notice of Meeting lodged with ASX on 23 September 2015 (and despatched to all shareholders) for further details</p>
<p>5 Issue price or consideration</p>	<p>a) \$0.012 each</p> <p>b) Nil/ free attaching to (a) above</p> <p>c) \$0.012 each</p> <p>d) \$0.012 each</p> <p>e) Nil/free attaching to (d) above</p> <p>f) \$0.015 each</p> <p>g) Nil</p> <p>h) \$0.02 each (exercise of options)</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>(a) Funds raised by the Placement will be used to advance its Mozambique and Tanzanian graphite tenements; assess other new opportunities and to provide working capital;</p> <p>(b) Nil/ free attaching to (a) above</p> <p>(c) Settlement of legal services approved by shareholders</p> <p>(d) Settlement of corporate advisory services approved by shareholders</p> <p>(e) Nil/free attaching to (d) above and approved by shareholders</p> <p>(f) Settlement of marketing and investor relation services approved by shareholders</p> <p>(g) Performance rights to directors for incentive and remuneration purposes approved by shareholders</p> <p>(h) Working capital</p>

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6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i	Yes
6b	The date the security holder resolution under rule 7.1A was passed	27 November 2014
6c	Number of +securities issued without security holder approval under rule 7.1	Ordinary fully paid shares (MOZ) – 4,583,333 Listed Options (MOZ) – 2,291,667 Performance Rights - Nil
6d	Number of +securities issued with security holder approval under rule 7.1A	Ordinary fully paid shares (MOZ) – Nil Listed Options (MOZ) – Nil Performance Rights - Nil
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Ordinary fully paid shares (MOZ) – 11,700,000 Listed Options (MOZ) – 5,000,000 Performance Rights – 9,000,000
6f	Number of securities issued under an exception in rule 7.2	Ordinary fully paid shares (MOZ) – 4,516,825 Listed Options (MOZ) – Nil Performance Rights – Nil
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	N/a
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N/a

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6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Refer to Annexure 1 below							
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	26 October 2015							
8	Number and +class of all +securities quoted on ASX (<i>including</i> the securities in section 2 if applicable)	<table><tr><th>Number</th><th>+Class</th></tr><tr><td>476,023,815</td><td>Ordinary Shares</td></tr><tr><td>272,606,166</td><td>Options \$0.02 expiring on or before 31 December 2017 (MOZO)</td></tr></table>	Number	+Class	476,023,815	Ordinary Shares	272,606,166	Options \$0.02 expiring on or before 31 December 2017 (MOZO)	
Number	+Class								
476,023,815	Ordinary Shares								
272,606,166	Options \$0.02 expiring on or before 31 December 2017 (MOZO)								

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	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the securities in section 2 if applicable)	13,500,000	Options exercisable at \$0.02 (2 cents) on or before 31 December 2017 (Related Party Options)
	2,200,000	Options exercisable at \$0.25 (25 cents) on or before 30 November 2016
	475,000	Options exercisable at \$0.25 (25 cents) on or before 2 August 2016
	9,000,000	Performance Rights
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Unchanged	

Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required?	
12 Is the issue renounceable or non-renounceable?	
13 Ratio in which the +securities will be offered	
14 +Class of +securities to which the offer relates	
15 +Record date to determine entitlements	
16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17 Policy for deciding entitlements in relation to fractions	

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18	Names of countries in which the entity has +security holders who will not be sent new issue documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	
19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	
25	If the issue is contingent on +security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	

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- 29 Date rights trading will end (if applicable)
- 30 How do +security holders sell their entitlements *in full* through a broker?
- 31 **How do +security holders sell *part* of their entitlements through a broker and accept for the balance?**
- 32 **How do +security holders dispose of their entitlements (except by sale through a broker)?**
- 33 +Despatch date

Part 3 - Quotation of securities

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

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

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

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

To be provided after completion of rights issue
- 36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories

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1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

To be provided after completion of rights issue

37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

39 Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

Number	+Class
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42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)

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Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

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

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

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: Date: 26 October 2015
(Director/Company secretary)

Print name: Adrien Wing

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Appendix 3B – Annexure 1

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

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

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	212,541,987
Add the following: <ul style="list-style-type: none"> Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval Number of partly paid +ordinary securities that became fully paid in that 12 month period Note: <ul style="list-style-type: none"> Include only ordinary securities here – other classes of equity securities cannot be added Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed It may be useful to set out issues of securities on different dates as separate line items 	227,112,697
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	-
“A”	439,954,684

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Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	65,993,203
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of ⁺equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> Under an exception in rule 7.2 Under rule 7.1A With security holder approval under rule 7.1 or rule 7.4 <p>Note:</p> <ul style="list-style-type: none"> <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<ul style="list-style-type: none"> 5,250,000 shares per Appendix 3B dated 10 August 2015 2,625,000 options per Appendix 3B dated 10 August 2015 2,291,667 options per this Appendix 3B 4,283,333 shares per this Appendix 3B
“C”	14,750,000
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	65,993,203
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	14,750,000
Total [“A” x 0.15] – “C”	51,243,203 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

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Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	439,954,684
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	43,995,468
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: <ul style="list-style-type: none"> • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained • It may be useful to set out issues of securities on different dates as separate line items 	
“E”	-

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	43,995,468
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	-
Total [“A” x 0.10] – “E”	43,995,468 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.



26 October 2015

Mozambi Resources Limited

(ASX: MOZ)

To: Australian Securities Exchange Limited

Notice Pursuant to Section 708A(5)(e) of the Corporations Act

Mozambi Resources Limited (the **Company**) gives notice under section 708A(5)(e) of the *Corporations Act 2001* (Cth) as follows:

- (a) On 26 October 2015, the Company issued 20,800,158 fully paid ordinary shares in the Company.
- (b) The shares were issued without disclosure to the investor under Part 6D.2 of the Corporations Act.
- (c) As at the date of this notice the Company has complied with:
 - The provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
 - Section 674 of the Corporation Act.
- (d) As at the date of this notice there is no excluded information required to be disclosed under section 708A(6)(e) of the Corporations Act.

For and on behalf of Mozambi Resources Limited

Adrien Wing
Company Secretary